

# EXHIBIT 7

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Exhibit 99.1

Alta Mesa Resources  
Pure-Play STACK Enterprise  
August 2017



**Exhibit**  
**CP-0407**  
Chappelle

# Disclaimer

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This presentation contains projections for Alta Mesa and KFM, including with respect to their EBITDA, net debt to EBITDA ratio and capital budget, as well as Alta Mesa's production and KFM's volumes, for the fiscal years 2017, 2018 and 2019. Neither Silver Run II's nor Alta Mesa's and KFM's independent auditors or Alta Mesa's independent petroleum engineering firm have audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, none of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. These projections are for illustrative purposes only and should not be relied upon as being necessarily indicative of future results.

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This presentation includes non-GAAP financial measures, including EBITDA and Adjusted EBITDAX of Alta Mesa. Please refer to the Appendix for a reconciliation of Adjusted EBITDAX to net (loss) income, the most comparable GAAP measure. Silver Run II, Alta Mesa and KFM believe EBITDA and Adjusted EBITDAX are useful because they allow Silver Run II, Alta Mesa and KFM to more effectively evaluate their operating performance and compare the results of their operations from period to period and against their peers without regard to financing methods or capital structure. The computations of EBITDA and Adjusted EBITDAX may not be comparable to other similarly titled measures of other companies. Alta Mesa excludes the items listed in the Appendix from net (loss) income in arriving at Adjusted EBITDAX because these amounts can vary substantially from company to company within its industry depending upon accounting methods and book-values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDAX should not be considered as an alternative to, or more meaningful than, net income as determined in accordance with GAAP or as an indicator of Alta Mesa's operating performance or liquidity. Certain items excluded from Adjusted EBITDAX are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are components of Adjusted EBITDAX. Alta Mesa's presentation of Adjusted EBITDAX should not be construed as an inference that its results will be unaffected by unusual or non-recurring items.

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## Introduction



# Silver Run II Delivering on Investment Criteria



## Upstream

- ✓ Assets economic well below current oil price
- ✓ High margin core basin with low field break-evens, deep inventory
- ✓ Multiple Stacked Pays
- ✓ High-quality assets with significant unbooked resource potential
- ✓ Opportunities to improve costs through technology
- ✓ Opportunity to expand through technology and acquisitions



## Midstream

- ✓ Competitively-positioned assets that benefit from strong supply/demand fundamentals
- ✓ Expansion opportunities in rapidly growing basin
- ✓ Locked-in base returns through stable fee-based contracts
- ✓ Assets with return asymmetry from incremental volumes, moderate margin exposure, and/or organic growth projects
- ✓ Synergy with existing upstream portfolio

***Combined upstream and midstream company allows for significant value uplift from financial optimization***



# Pure Play STACK Company

*Premier liquids upstream growth with value-enhancing midstream*

- World class asset with attractive geology
  - Highly contiguous ~120,000 acres with substantial infrastructure in core of STACK
  - Oil-weighted resource with \$25/BBL breakeven; >85% single-well rate of return
  - 4,200+<sup>1</sup> gross primary locations; 12,000+<sup>1</sup> possible through down-spacing and additional zones
- Top-tier operator with substantial in-basin expertise and highly consistent well results
  - 200+ horizontal STACK wells drilled across entirety of Kingfisher acreage maximizes confidence in type well EUR
  - Consistency and geographic breadth of well results affirms repeatability
  - Oil-weighted production in early well life maximizes near-term oil-based revenue (first month 2-stream production at 82% oil with 57% of the type well EUR oil produced in the first five years); consistent GOR profile
  - Industry-leading growth potential; 2-year expected EBITDA CAGR of 128%
  - Demonstrated ability to manage a large development program – average of 6 rigs running in 2017
  - Robust acquisition pipeline coupled with track record as an aggregator
- Highly strategic and synergistic midstream subsidiary with Kingfisher Midstream
  - Flow assurance de-risks production growth
  - Purpose built system designed to accommodate third party volumes – currently 6 contracted customers with approximately 300,000 gross dedicated acres
  - Strategic advantage supporting acquisition of new upstream assets
  - Future opportunity to monetize Kingfisher Midstream through an IPO, and fund upstream capital needs through proceeds of an IPO, drop downs, and GP / IDR distributions
- Financial strength and flexibility to execute business plan through the cycle; cash flow positive in 2019
  - Team has demonstrated the discipline to survive and grow through cyclical downturns

<sup>1</sup> Does not include additional resource potential or undeveloped locations on ~20,000 net acres recently acquired in Major, Blaine and Kingfisher counties in July 2017, as described in further detail on page 27 (the "Major County Acquisition").



# Transaction Overview

- Jim Hackett and Riverstone raised ~\$1 billion through Silver Run Acquisition Corporation II ("Silver Run II") IPO to invest in a market leading company which could generate significant potential return
- Silver Run II has agreed to merge with Alta Mesa ("Alta Mesa") and Kingfisher Midstream ("KFM"), collectively renamed as Alta Mesa Resources, Inc. ("AMR") at the closing of the contemplated transaction. The existing Silver Run II public stockholders and Riverstone will collectively hold a 49% interest in the combined Company<sup>1</sup>
- Pursuant to the contemplated transaction, the combined Company implied Firm Value ("FV") will be ~\$3.8 billion at \$10 per share, representing the following acquisition metrics:

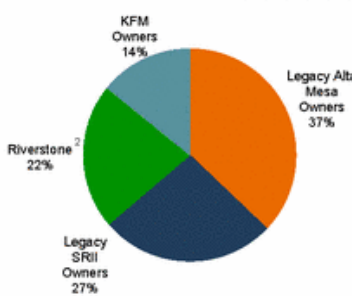
	AMR	KFM	Total
FV / 2018E EBITDA	6.1x	7.3x	7.1x
FV / 2019E EBITDA	3.1	4.2	3.8

- Existing owners of Alta Mesa will roll 100% of their equity into Silver Run II; owners of KFM will retain significant equity stakes
- Riverstone and related investment vehicles will invest at least \$600 million of cash<sup>2</sup>
- Anticipated closing of the transaction in 4Q 2017

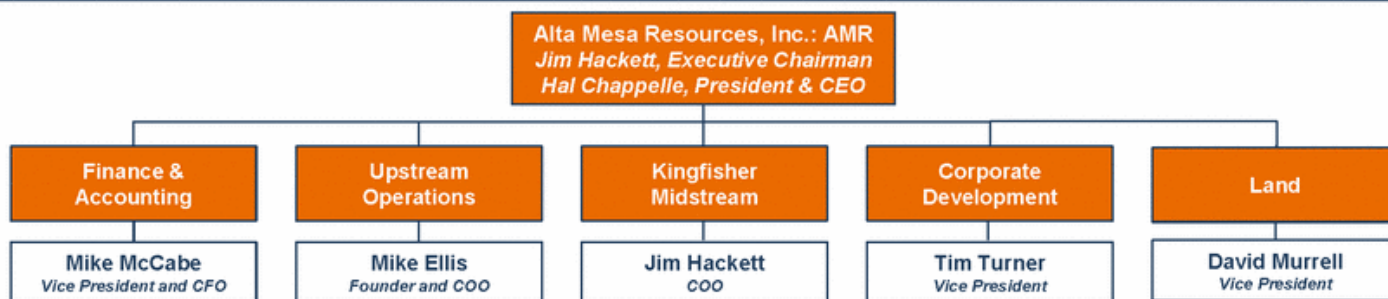
<sup>1</sup> Assumes no Silver Run II public stockholders elect to have their shares of Class A common stock redeemed in connection with the closing of the transaction.

<sup>2</sup> Includes \$400 million of shares of Class A Common Stock and warrants to be purchased from Silver Run II under the forward purchase agreement dated as of March 17, 2017. Does not include additional \$200 million commitment from Riverstone under a forward purchase agreement entered into in connection with the proposed transaction.

# Transaction Summary

Sources & Uses (\$ MM)	Implied Firm Value	Post-Transaction Ownership <sup>3</sup>
Sources		
Legacy Owners' Rollover Equity	(\$ millions)	
Silver Run II Cash Investment	Shares Outstanding	388.6
Riverstone Cash Investment <sup>2</sup>	Share Price	\$10.00
Total Sources	Equity Value	\$3,886
Total Cash Sources	Less: Cash	(551)
	Plus: Debt	500
	Firm Value	\$3,836
Uses		<b>Transaction Multiples</b> FV / 2018E EBITDA (\$543) 7.1x FV / 2019E EBITDA (\$1019) 3.8x
Legacy Owners' Rollover Equity		
Cash to KFM Owners		
Cash to Alta Mesa Balance Sheet & Interim Capex Funding		
Total Uses		
Total Cash Uses		

## Pro Forma Organizational Structure



Note: Sources & Uses includes estimates of transaction fees, debt at close, and other transaction closing adjustments, and is subject to change.

<sup>1</sup> SPAC capital net of deferred underwriting expense.

<sup>2</sup> Reflects Riverstone and related investment vehicles, and includes \$400 million of shares of Class A Common Stock and warrants to be purchased from Silver Run II under the forward purchase agreement dated as of March 17, 2017. Does not include additional \$200 million commitment from Riverstone under a forward purchase agreement entered into in connection with the proposed transaction.

<sup>3</sup> Assumes none of legacy Silver Run II owners exercise their stockholder redemption rights and does not give effect to any shares of Class A Common Stock that may be acquired by the Alta Mesa or KFM sellers in connection with certain earn-out provisions in the applicable contribution agreements.





## Company Overview





# Alta Mesa Overview

*Focused on development and acquisition in the STACK*

Upstream Metrics	
Net STACK Surface Acres	~120,000
Current Production (BOE/D)	~20,000
% Liquids	69%
Proved Reserves (MMBOE)	144
Resource Potential (MMBOE) <sup>1</sup>	>1,000
Estimated Potential Gross Identified Locations <sup>1</sup>	4,196
Estimated Total Gross Locations <sup>1,2</sup>	12,133
Gross Stack Wells Producing / Horizontal Operated STACK Wells Drilled <sup>3</sup>	167 / 205
2017 Average Rigs	6

Midstream Metrics	
Natural Gas Processing Current / YE 2017	60 / 340 <sup>4</sup> MMCF/D
Pipelines	300+ miles
Dedicated Acreage	~300,000 gross acres
Storage Capacity	50 MBBL with 6 loading LACTs <sup>5</sup>

Source: Public Filings, Investor Relations.

Note: All reserve figures per NYMEX strip pricing as of 12/31/2016 close; represents acreage as of 7/20/2017.

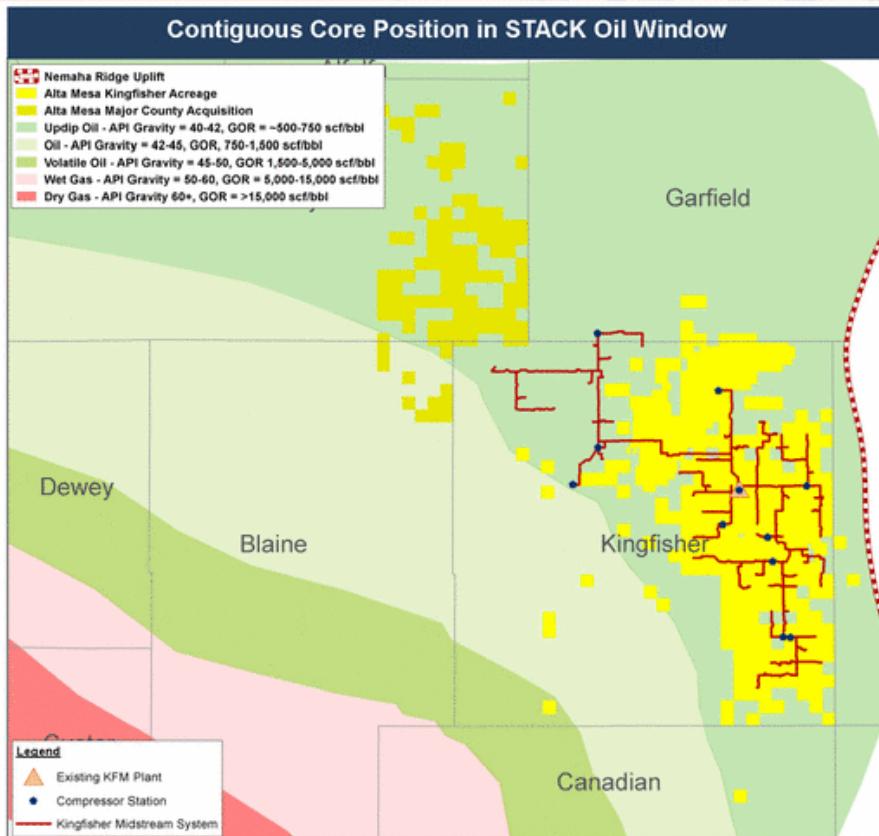
<sup>1</sup> Does not include additional resource potential or undeveloped locations on ~20,000 net acres recently acquired in the Major County Acquisition.

<sup>2</sup> Includes additional locations from downspacing in the Oswego, Meramec, Lower and Upper Osage formations as well as additional locations in the Big Lime, Cherokee, Manning, Chester, Woodford and Hunton formations.

<sup>3</sup> Horizontal wells drilled as of 8/14/17

<sup>4</sup> Includes 80 MMCF/D offtake processing expected 3Q 2017.

<sup>5</sup> Lease Automatic Custody Transfer units.



# High Caliber STACK Operating Team

*Cohesive, tenured, scalable team producing world class results*

Name	Position	Years at AMR	Years Experience
Hal Chappelle	President and CEO	13	30+
Mike Ellis	Founder and Chief Operating Officer	30	30+
Mike McCabe	VP and Chief Financial Officer	11	25+
Gene Cole	VP and Chief Technical Officer	10	25+
Kevin Bourque	VP, Mid Continent Operations	10	20+
David McClure	VP, Facilities and Midstream	7	15+
Tim Turner	VP, Corporate Planning and Reserves	4	30+
Dave Smith	VP, Geology, Geophysics & Exploration	18	30+
Ron Smith	VP and Chief Accounting Officer	10	30+
David Murrell	VP, Land	10	25+

## Robust Capabilities, Organizational Scale, Public Company Processes to Drive Long-Term Success

Operations  
(60 Employees)  
(40 Contractors)

Engineering & Geology  
(45 Employees)

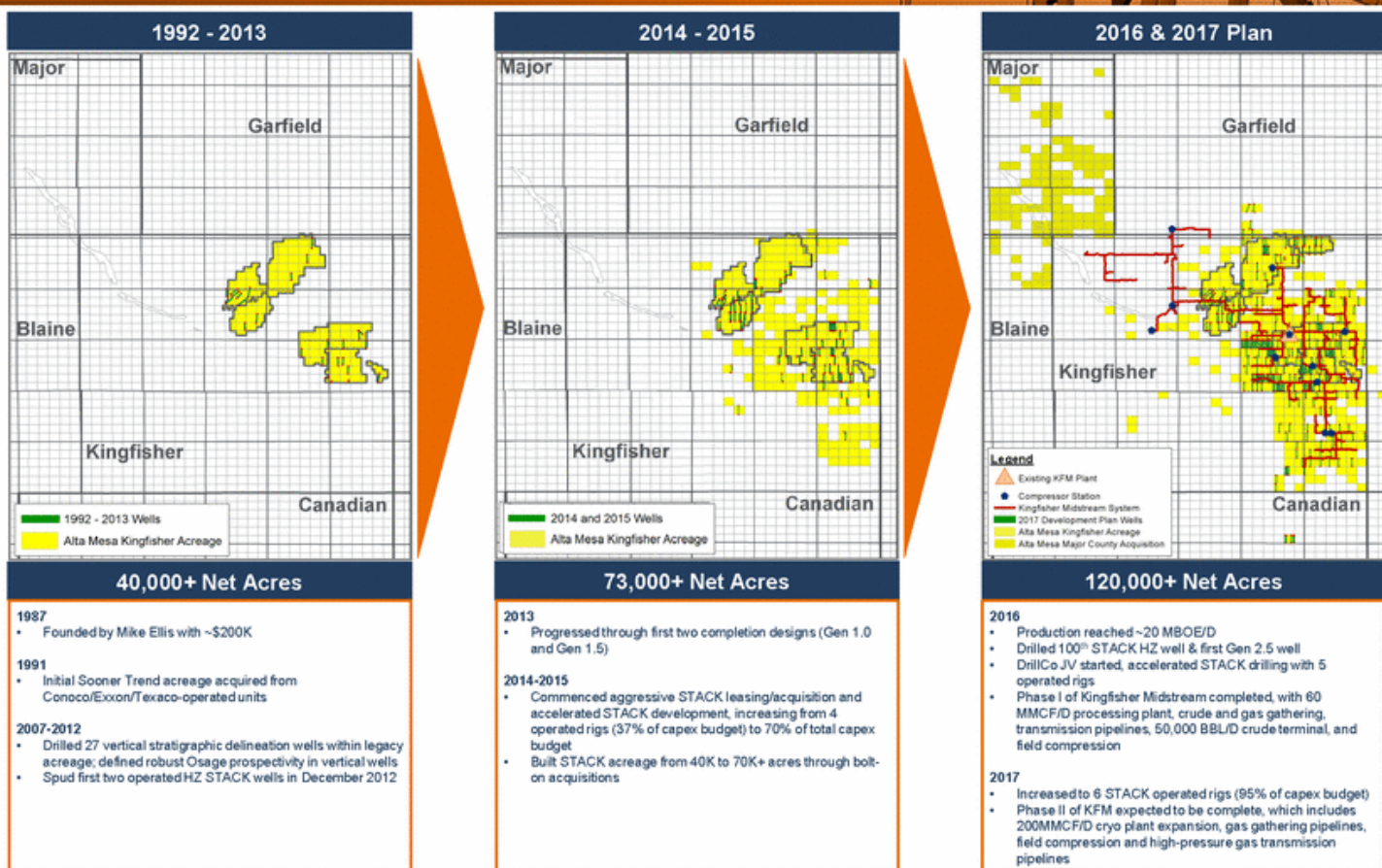
Land  
(25 Employees)

Corporate / Finance &  
Accounting  
(50 Employees)

Relentless focus on technological advancements and continuous learning

# Optimization, Delineation and Expansion

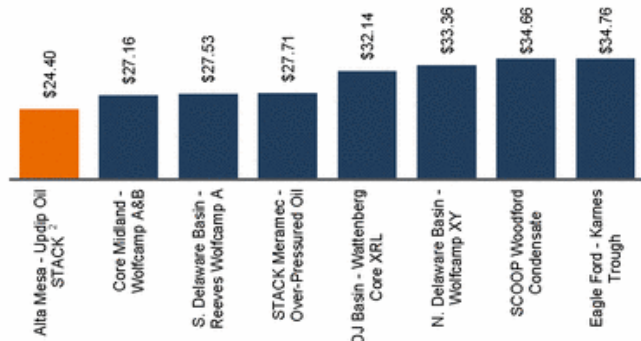
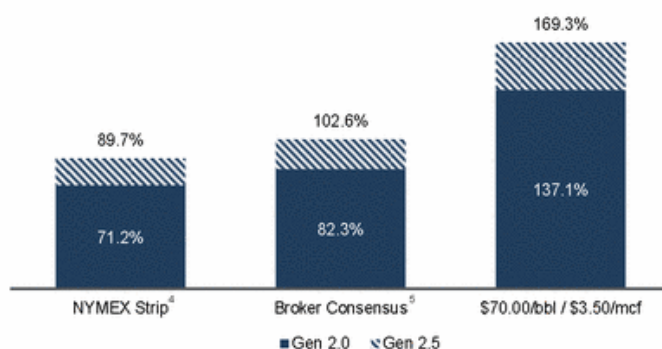
*Systematic horizontal development and growth of contiguous acreage*



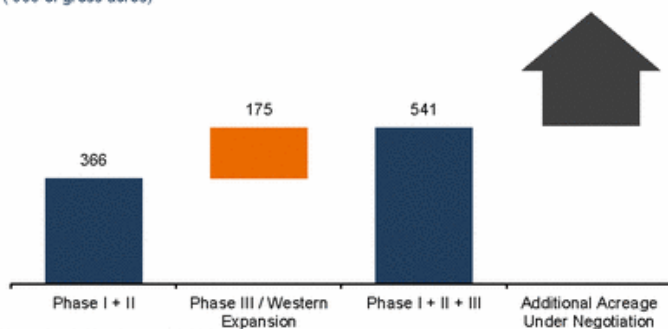


# Alluring Macroeconomic Fundamentals

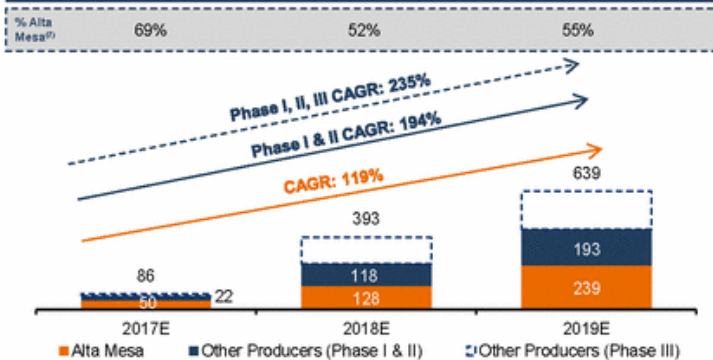
High quality rock drives compelling returns, robust rig activity

Major U.S. Oil Plays – Breakeven Prices (\$/BBL)<sup>1</sup>Alta Mesa Type Well IRR<sup>3</sup>KFM Acreage Dedications / Resource Allocations Breakdown<sup>6</sup>

('000 of gross acres)



KFM Gas Inlet Volumes by Producer (MMCF/D)



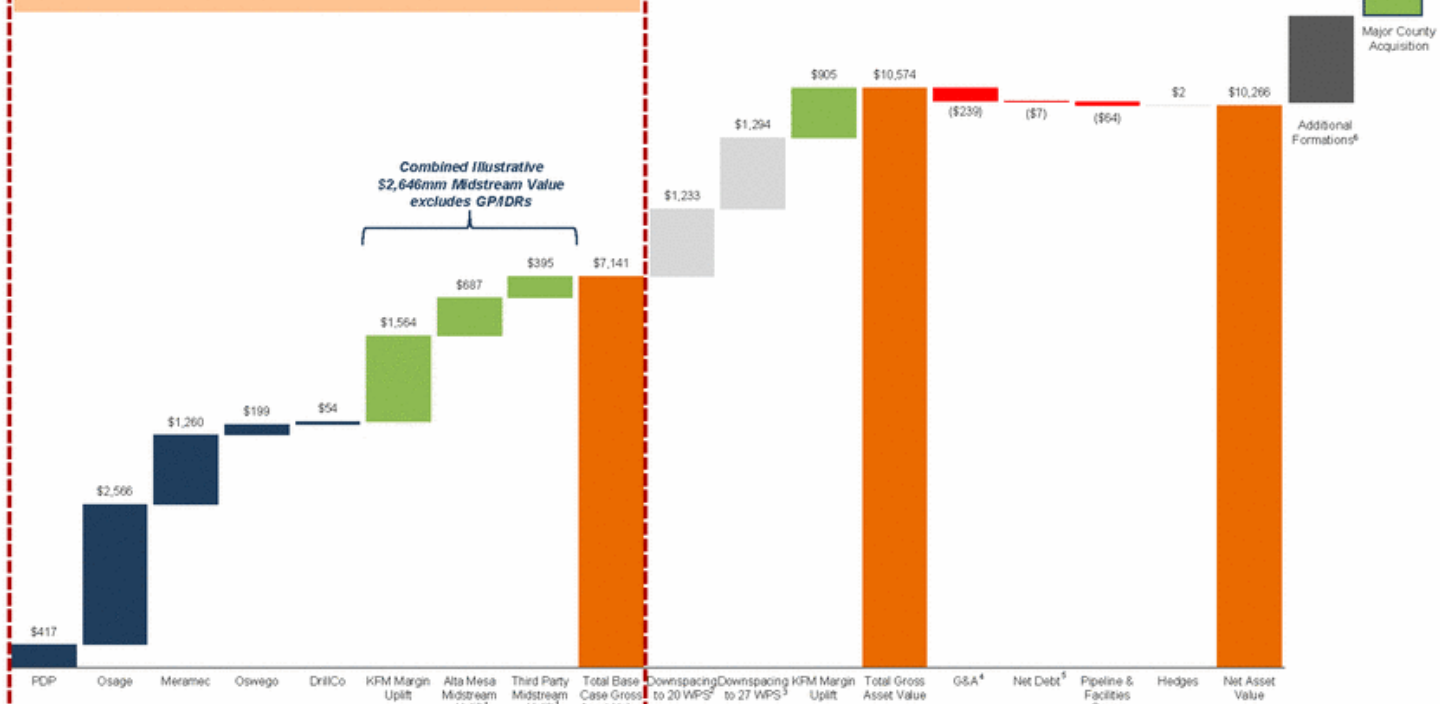
Source: BakerHughes, Wall Street Research.

<sup>1</sup> Based on 15% IRR hurdle. Assumes gas price deck of 2017: \$3.10/mcf, 2018: \$2.99/mcf, 2019: \$2.83/mcf, 2020: \$2.82/mcf, thereafter: \$2.83/mcf.<sup>2</sup> AMR breakeven price company prepared. Based on AMR 651 MBOE mean type curve.<sup>3</sup> Osage type curves assume 17% royalty burden and \$3.2mm D&C well cost. Adjusted for transportation costs paid to KFM. Excludes \$1.25 / bbl oil transportation costs.<sup>4</sup> NYMEX strip pricing as of 8/3/2017 close until 2021 and held flat thereafter.<sup>5</sup> Assumes Broker Consensus Price Deck (2017: \$51.16/bbl / \$3.16/mcf, 2018: \$54.90/bbl / \$3.14/mcf, 2019: \$58.00/bbl / \$3.05/mcf and held flat thereafter).<sup>6</sup> Not inclusive of producer customers' entire gross acreage position, additional gross acreage proximate to KFM available for gathering and processing services. Includes additional acreage to come and/or under negotiation.<sup>7</sup> Percentage of Phase I & II shown.

# Asset Value of AMR's STACK Position

~\$7B PV-10 Value from Identified Gross Locations before downspacing

Alta Mesa's 4,196 Identified Gross Drilling Locations are the primary focus of the near-term development plan



Note: PV-10 figures as of 7/1/2017. Reflects Generation 2.0 Type Curve. Assumes Broker Consensus Price Deck (2017: \$51.16/bbl / \$3.16/mcf, 2018: \$54.90/bbl / \$3.14/mcf, 2019: \$58.00/bbl / \$3.05/mcf and held flat thereafter). Does not include additional resource potential or undeveloped locations on ~20,000 net acres recently acquired in the Major County Acquisition. Adjusted for transportation costs paid to KFM, excludes \$1.25 / bbl oil transportation costs ("KFM Margin Uplift").

<sup>1</sup> Illustrative midstream uplift value assumes 2018E EBITDA valued at 13.7x.

<sup>2</sup> Low Risk downspacing of Osage to 11 WPS (966 locations), Meramec to 5 WPS (318 locations), and Oswego to 4 WPS (316 locations).

<sup>3</sup> Additional downspacing of Osage to 15 WPS (1,288 locations) and Meramec to 8 WPS (964 locations).

<sup>4</sup> Assumes 2018E Upstream G&A capitalized at 7.5x.

<sup>5</sup> Assumes pro forma net debt at transaction close based on Alta Mesa Q2 2017 revolver balance outstanding.

<sup>6</sup> Additional Formations include Big Lime, Manning, Huron, Woodford, Cherokee, and Chester.

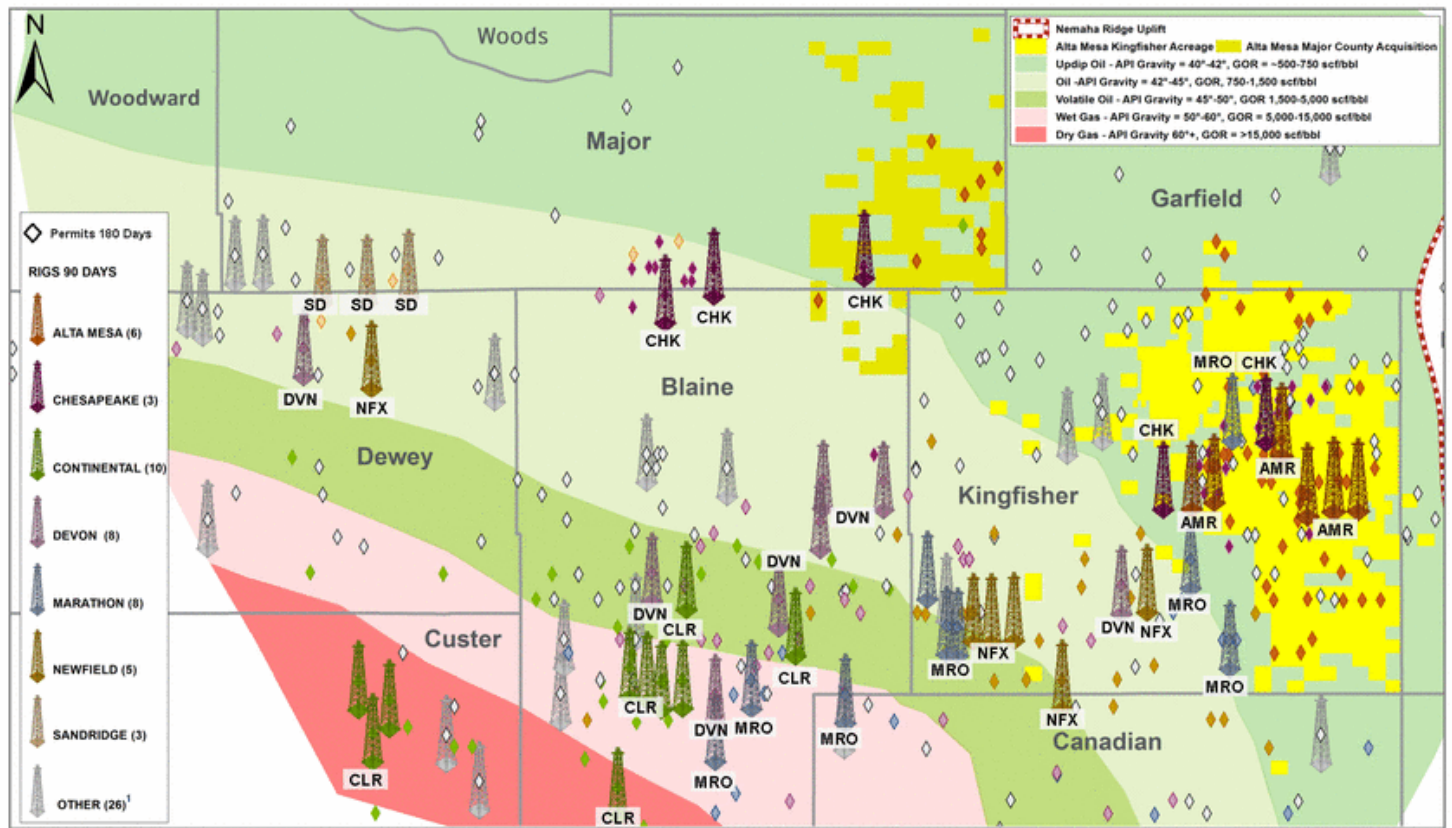






# Significant Activity in Alta Mesa "Neighborhood"

Prominent operators active in Updip Oil Window adjoining Alta Mesa



Source: IHS Energen, HPOI.  
 Note: Represents a combination of current and recent rig activity.  
<sup>1</sup> Operators with 2 rigs or fewer running.

# Alta Mesa Vision

*Rigorous development and balance sheet to consolidate regional assets*

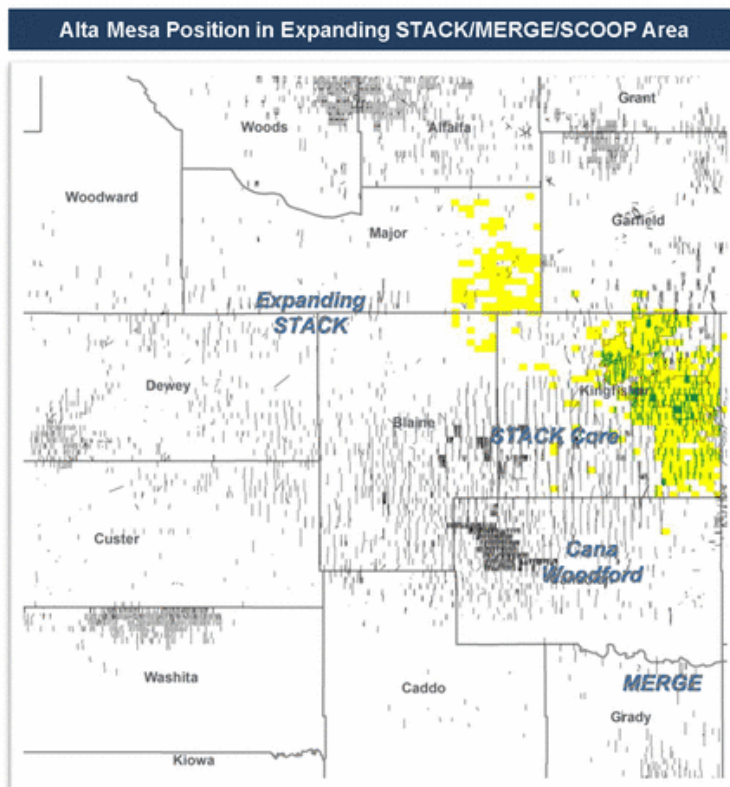


## Existing Asset Value

- Early phase of systematic Meramec/Osage, and Oswego development
- Our goal: maximize discounted cash flow
  - Improve drilling efficiencies through technology and pad drilling
  - Continually optimize well density, stage spacing, pump rates, fluids, proppant, hydraulics
- Delineate and develop other horizons
  - Established productive zones – Big Lime, Manning, Cherokee sands, Woodford, Hunton
  - Untested zones – Chester Shale

## STACK Enterprise Expansion

- Consolidate acreage where we can be best-in-class Operator



Note: Wells drilled map as of August 2017.

# Progressive Increase in Completion Intensity

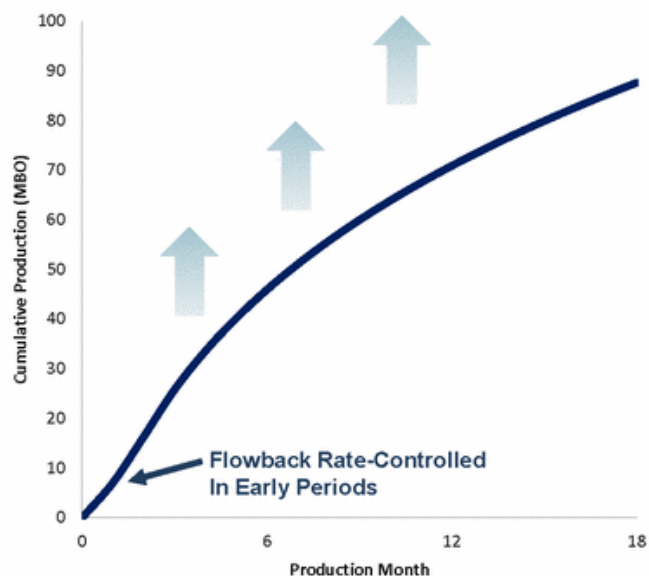
*Alta Mesa leadership in operational advancements*

## Completion Summary By Generation

- Alta Mesa has proactively advanced completion designs with each generation – leading to improved well response and economics:
  - Number of stages increases with each generation as stage spacing decreases
  - Average sand per stage has increased with each generation
  - Total fluid per stage increases with each generation
- Continuously optimizing completions designs through reduced frac stage spacing for increased formation stimulation

Design Parameters	Gen 1.0	Gen 1.5	Gen 2.0	Gen 2.5	Current	Future
Avg Frac Stages	12	18	24	32	35	
Avg. Stage Spacing (Ft.)	340	256	194	150	140	
Slickwater - Avg Total (BBLs/Ft.)	29	42	56	66	75	
Sand - Total Avg. (Lbs/Ft.)	317	457	677	1,193	1,500	
Frac Design Type	Packer/Sleeve	Hybrid	Plug/Perf	Plug/Perf	Plug/Perf	Further Improvement
Flow Design Type	Slickwater	Slickwater	Slickwater	Slickwater	Slickwater	
Packers Type	Mechanical	Hybrid	Swell	Swell	Swell	
Well Count <sup>1</sup>	7	6	59	94	--	

## Current Type Curve – Gen 2.0



<sup>1</sup> Wells completed as of 8/16/17

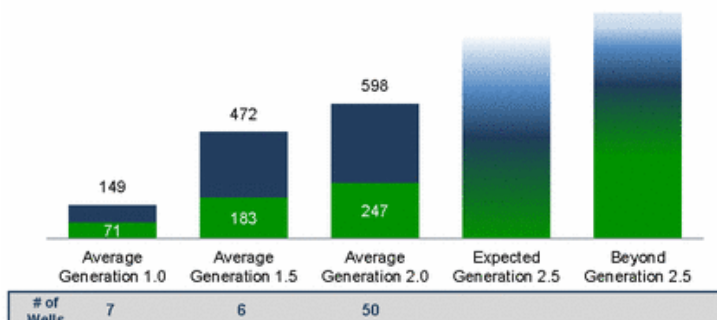


# Average Well Results

Results as of YE 2016 with early-stage Gen 2.5 forecasts

## Average EUR by Generation<sup>1</sup>

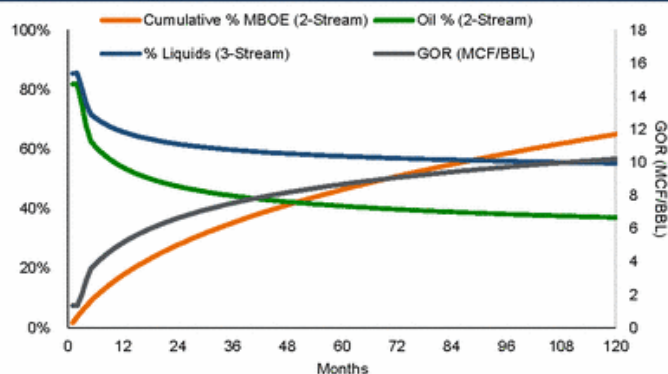
■ MBO ■ MBOE



## Optimizing Stimulated Reservoir Volume

- Financial goal: maximize discounted cash flow
- Well design goal: optimize stimulated reservoir volume
  - Well spacing
  - Proppant loading
  - Fluid rates
  - Landing zones

## Oil and Liquids Content Over Time<sup>2</sup>



## Oil-Weighting Over Time

- Approximately 57% of the oil, 50% of the natural gas liquids, and 38% of the natural gas are produced in the first five years thereby enhancing the early revenue per unit and the resulting economics
- The GOR increases over time with month one approximately 1 Mcf/Bbl, month twelve approximately 5 Mcf/Bbl, month sixty approximately 8 Mcf/Bbl.
- In month one, 2-stream production from the well is 82% oil and 3-stream production is 86% liquids
- In year one, 2-stream production from the well is 66% oil and 3-stream production is 74% liquids
- The well breaches the 2-stream 50% oil point near the end of year 2 and 3-stream production remains above 50% liquids point for the life of the well

Source: Ryder Scott-audited Reserve Report, Company data.

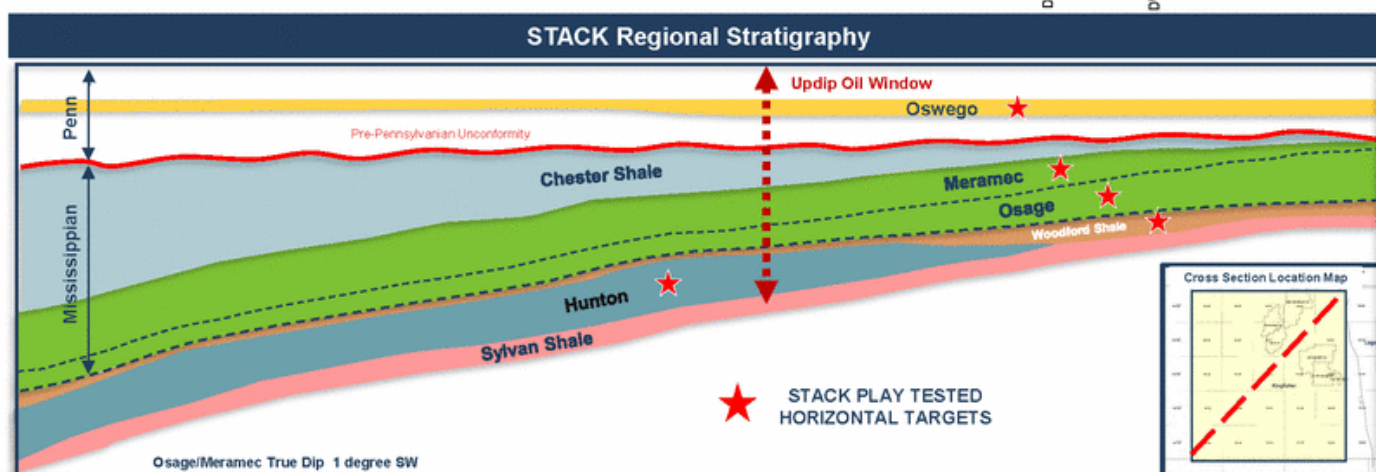
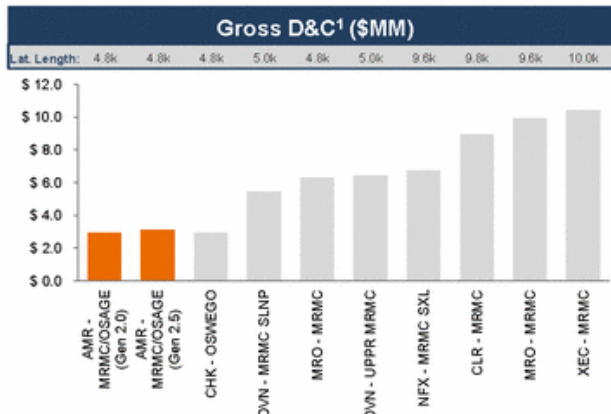
<sup>1</sup> Based on Ryder Scott-audited Reserve Report. Excludes 9 wells with circumstances that will not be repeated due to unacceptable results: i) 4 wells with 660' spacing in a high porosity area, ii) 3 child wells drilled between 2 parent wells without injecting water into the parent wells prior to frac, iii) 1 well which were shut in for more than 90 days after frac, iv) 1 well that fraced into a vertical well and the vertical well was not plugged in the Osage/Meramec.

<sup>2</sup> LNU17N06W02A Miss well (Ryder Scott-audited Reserve Report).

# Cost-Advantaged Asset Base

Infrastructure and basic well design mitigate cost inflation

Advantage	Why It Matters
1 Shallower Targets	<ul style="list-style-type: none"> <li>Allows for the elimination of additional strings of casing, liner tie-back, and reduces horsepower used during stimulation</li> <li>Reduced drilling time and costs per well enhances capital flexibility and efficiencies</li> </ul>
2 One-mile Laterals	<ul style="list-style-type: none"> <li>Reduces mechanical risk of completions vs two-mile</li> <li>Use less steel by utilizing smaller diameter pipe program</li> <li>Lower cost per foot to execute drilling and completions</li> </ul>
3 Naturally Fractured Formation	<ul style="list-style-type: none"> <li>Heavier proppant loads not required</li> <li>Flexibility to use more commoditized proppant</li> </ul>



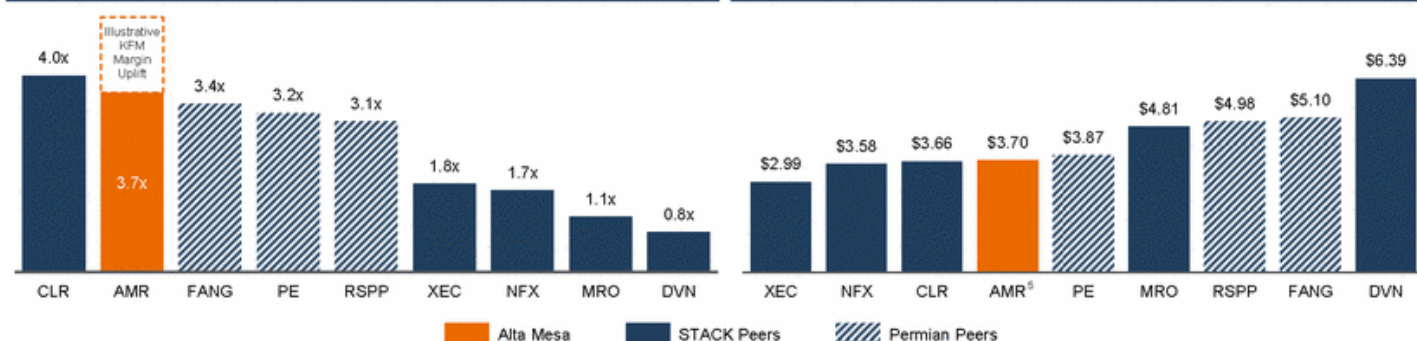
<sup>1</sup> AMR Pad Drilling D&C only and does not include \$300k of allocated facilities cost

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# Alta Mesa: Low Cost Operator

Peer leader in operating cost and capital efficiency

## SEC Future Development Cost Per Proved Undeveloped BOE (\$ / BOE)<sup>1</sup>



Source: Public Filings as of 4Q 2016.

<sup>1</sup> Calculated as future development costs divided by proved undeveloped reserves. Shown as of 12/31/2016.

<sup>2</sup> MRO and DVN PUD F&D evaluated based on US assets only.

<sup>3</sup> Calculated as 4Q16 unhedged EBITDAX/BOE divided by organic F&D. Includes Q4 acquired BCE wells in calculation. Organic F&D defined as Future Development Costs / PUD volumes per SEC filings and excludes reserves added through acquisitions.

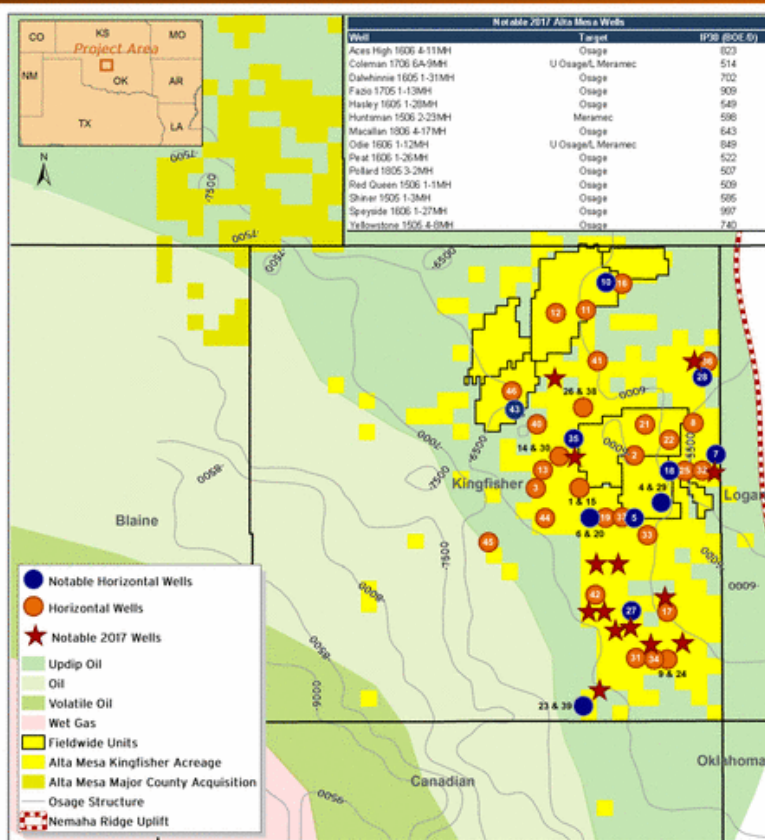
<sup>4</sup> Does not include gathering & transportation.

<sup>5</sup> LTM 3/31/2017 excluding legacy vertical and waterflood-related production.



# Solid Results Affirm De-Risked Acreage Position

## Representative wells across 11 townships



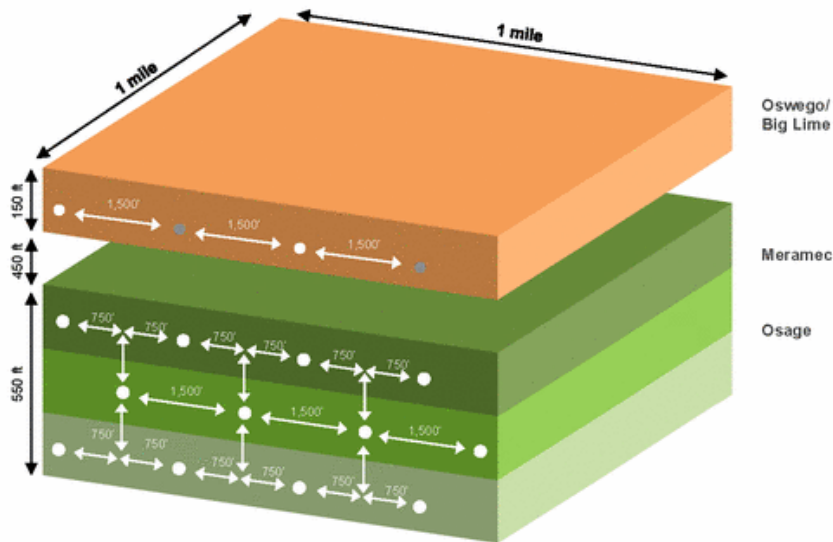
Well Name	Lateral Length	EUR (MBOE)	EUR/1000 Lateral ft	IP90 (BOE/d)	IP90 % Oil	IP90/1000 Lateral ft
<b>Operated</b>						
1 Barbara 1706 3-22MH	4,812	579	120	348	82%	72
2 Beyer 4-8H	4,452	863	194	505	75%	113
3 Boecher 1706 4-19MH	4,832	574	119	560	72%	116
4 Bollenbach 1705 4-21MH	4,820	894	206	185	55%	38
5 Bollenbach 1705 8-30MH	4,795	1,198	250	438	92%	91
6 Brown 1706 6-27MH	4,850	839	173	316	76%	65
7 Clark 1705 5-12MH	4,857	827	178	815	85%	132
8 Cleveland 1805 2-25MH	4,845	696	148	451	77%	97
9 Dixon 1505 3-16MH	4,858	857	135	325	81%	67
10 EHU 219H	4,950	790	180	123	88%	25
11 EHU 220H	3,851	678	186	216	91%	59
12 EHU 235H	5,300	559	106	357	89%	67
13 Evelyn 1706 5-18MH	4,857	575	118	621	87%	128
14 Francis 1706 5-8MH	4,856	864	137	349	69%	72
15 Gilbert 1706 6-21MH	4,738	590	125	409	59%	86
16 Hawk 1806 7-13MH	4,813	540	112	216	80%	45
17 Helen 1805 5-33MH	4,820	652	141	331	77%	72
18 Hoskins 1705 2-9MH	4,893	932	199	507	85%	108
19 James 1706 5-26MH	4,748	738	155	352	79%	74
20 Lankard 1706 6-34MH	4,855	847	174	1,291	58%	268
21 LNU 16-2H	4,788	873	182	262	89%	59
22 LNU 49-4H	4,518	758	167	518	79%	115
23 Mad Hatter 1506 2-34MH	4,870	832	135	294	90%	63
24 Martin 1505 4-9MH	4,795	820	129	278	84%	58
25 Matheson 1705 5-10MH	4,765	729	153	448	79%	94
26 Mitchell 1805 29-27MH	4,589	648	140	311	81%	68
27 Oak Tree 1805 2-30MH	4,744	813	171	834	69%	134
28 Ottmanns 1805 6-14MH	4,930	822	167	831	70%	128
29 Oswald 1705 6-28MH	4,815	1,144	238	278	86%	58
30 Pinehurst 1706 5-5MH	5,061	872	139	572	75%	113
31 Redbreast 1505 4-7MH	4,709	855	139	251	73%	53
32 Rigdon 17015 6-11MH	4,827	725	150	697	82%	144
33 Rudd 1805 2A-5MH	4,010	520	130	499	59%	122
34 Three Wood 1505 4-17MH	4,834	829	136	321	76%	69
35 Todd 1706 6-4MH	5,019	948	188	599	68%	119
36 Vadder 1805 2-12RMH	4,504	689	148	542	63%	120
37 Wakeman 1706 6-25MH	4,842	925	191	787	62%	162
38 Weber 1806 3-22MH	4,797	648	135	112	75%	23
39 White Rabbit 1506 2-27MH	4,811	633	132	428	91%	89
<b>Non-Operated</b>						
40 Deep River 30-1MH	5,586	NA	89	324	41%	58
41 Holiday Road 2-1H	5,100	NA	87	153	85%	30
42 King Koopa 1806 2UMH-22	4,691	NA	83	380	60%	81
43 OOD 1QH-24	5,357	1,459	272	533	88%	98
44 Post 1706 1-30MH	4,819	458	93	451	66%	90
45 Ruzek 1H-3X	6,872	488	72	888	87%	100
46 Trifecta 1807 20H-14-1	4,348	662	152	555	92%	128

Source: Alta Mesa Year-End Reserve Report. For non-Alta Mesa operated wells, IHS Enerdeg.  
 Note: EURs based on NYMEX 2016 pricing. Does not include additional resource potential or undeveloped locations on ~20,000 net acres recently acquired in the Major County Acquisition.  
 1 Includes 7 wells not operated by Alta Mesa. Includes wells operated by Chaparral, GST, MRO and NFX.  
 2 3-Stream EUR assuming 75.4 BBL/MMCF NGL yield and 15.9% shrink.

# Alta Mesa STACK Development

*Moving into development mode on de-risked Kingfisher acreage*

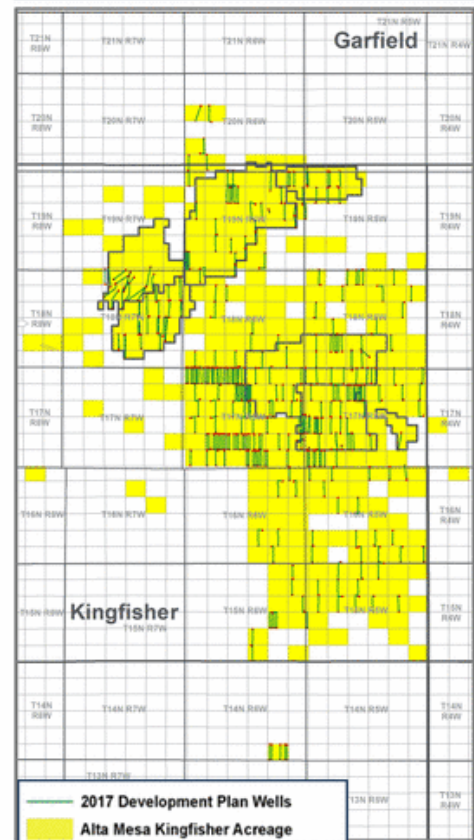
## Base Case Development Plan For AMR



## Alta Mesa Development Strategy

- Near term development plan focuses on continued optimization of frac stage spacing, transitioning to development mode, delineating Oswego performance, and accelerating infrastructure investments
- Delineate and de-risk recently acquired Major County Acquisition acreage
- All wells in inventory are planned as single-section laterals
- Transition to primarily pattern development in 2017
- Average of 6 rigs running in 2017

## 2017 Development Plan



# STACK: A Significant Petroleum System

## *Additional development potential in multiple stacked pay zones*

### Alta Mesa Existing Development

- Existing spacing tests at 660' show full development potential
- 660' spacing tests have more than 200 days of online production
- Over 800 days of strong well performance at spacing of 1,200'
- Three target zones in Osage/Meramec, which represents a continuous 550' section and one additional in Oswego

### Additional Zones

- Eight zones have proven hydrocarbon production from vertical wells
- Chester Shale offers added potential
- AMR and others have already drilled successful Oswego, Meramec, Osage, Woodford, and Hunton horizontal wells
- Additional formations, including Big Lime and Red Fork, have horizontal permits and strong vertical production
- Drilling days expected to remain similar across the various formations
- AMR drilling Manning Limestone in 2017

### Potential 55 Wells per Section

Type Log	Formation	Targeted	Down-spacing	Additional Formations	Total
	Big Lime			4	4
	Oswego	2	2		4
	Cherokee Shale				
	Prue Sand			4	4
	Skinner Sand				
	Red Fork Sand				
	Manning Lime			4	4
	Chester Shale			4	4
	Meramec	4	4		8
	Osage	4	3		7
		4	4		8
	Woodford Shale			8	8
	Hunton Lime			4	4
	<b>Total</b>	<b>14</b>	<b>13</b>	<b>28</b>	<b>55</b>

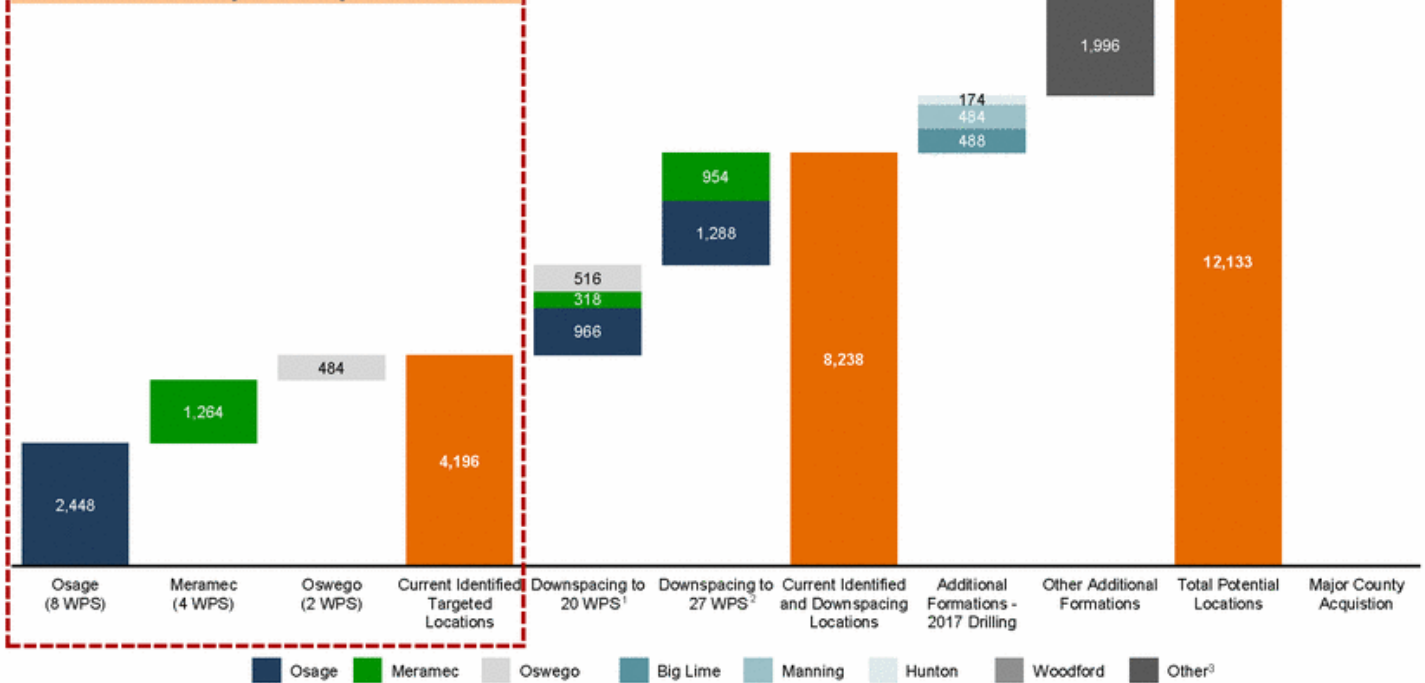
Note: Actual Alta Mesa log above displays productive formations.



# Deep Drilling Inventory

4,196 Identified Gross Locations represent 14+ years of inventory

Alta Mesa's 4,196 Identified Gross Drilling Locations are the primary focus of the near-term development plan



Note: Identified locations based on AMR interest in 320 Meramec/Osage and 257 Oswego sections; excludes additional resource potential or undeveloped locations on ~20,000 net acres recently acquired in the Major County Acquisition.

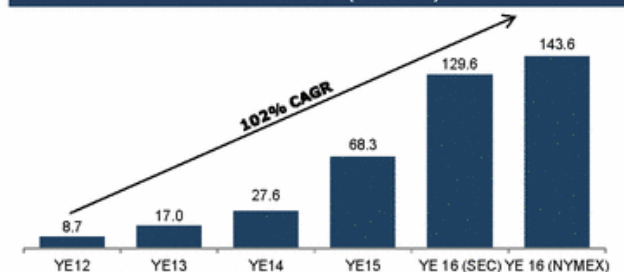
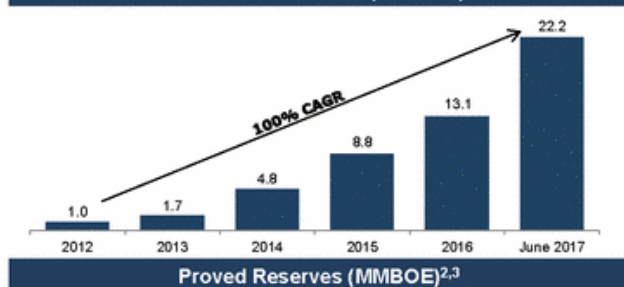
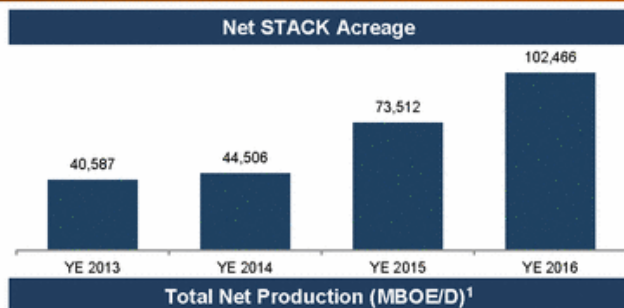
<sup>1</sup> Low Risk downspacing of Osage to 11 WPS (966 locations), Meramec to 5 WPS (318 locations), and Oswego to 4 WPS (516 locations).

<sup>2</sup> Additional downspacing of Osage to 15 WPS (1,288 locations) and Meramec to 8 WPS (954 locations).

<sup>3</sup> Other Formations include Cherokee and Chester.

# Progressive Execution

Track record of growth in production, reserves, acreage position

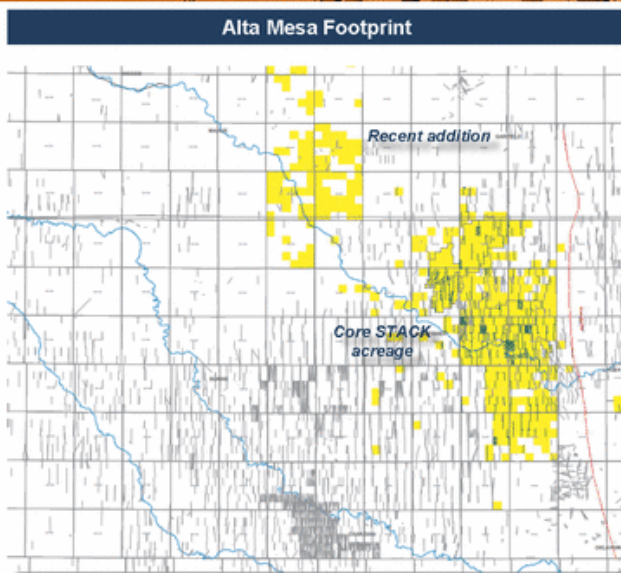


Source: Company data, Public Filings, IHS Herolds, RigData.

<sup>1</sup> Inclusive of Net Production from Bayou City JV. 2012 and 2013 data reflects occurrence date and not accounting date LOS, due to the reasoning that occurrence date method incorporated a change in NGL accounting, whereas accounting date LOS does not.

<sup>2</sup> YE 2016 proved reserves as of 12/31/2016 close.

<sup>3</sup> YE12-15 proved reserves based on NYMEX pricing.

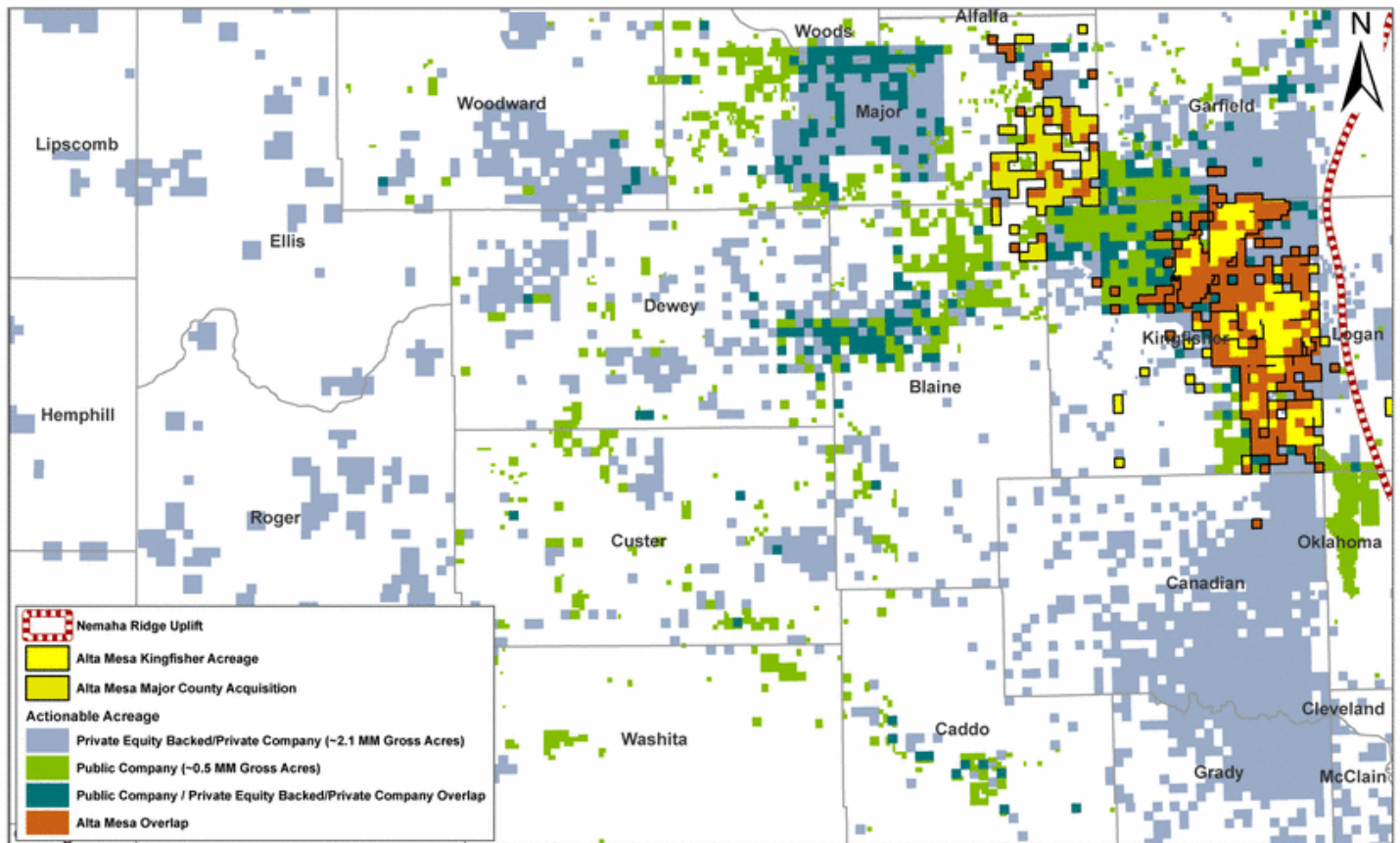


- Acreage has grown from ~40,000 net acres to ~120,000 net acres since 2013
- Disciplined acreage aggregation focused primarily on "bolt-on" acquisitions to systematically increase contiguous position
- July 2017 added ~20,000 net acres in Major, Blaine, and Kingfisher; geologic character similar to central-eastern Kingfisher acreage



# Near Term Consolidation Opportunity

*Play is expanding and significant acreage could change hands*



Source: Investor Presentations, 1Demick.

27

## Our Midstream Assets





# KFM is Value Accretive to Alta Mesa

*Vertical integration yields substantial strategic and financial benefits*

<b>Rapidly Expanding G&amp;P Complex in the Heart of the STACK</b>	<ul style="list-style-type: none"> <li>• KFM is positioned to capture volume growth from the STACK</li> <li>• Acreage dedications / resource allocations of ~300,000 gross acres</li> </ul>
<b>Gathering, Processing and Market Access Support Production Growth</b>	<ul style="list-style-type: none"> <li>• Total processing capacity is expected to be 340 MMCF/D in 4Q 2017, including 80 MMCF/D of additional offtake</li> <li>• Substantial firm transport to support future growth</li> </ul>
<b>Bundled Natural Gas Residue Solution Enhances Marketability</b>	<ul style="list-style-type: none"> <li>• KFM capable of providing takeaway solutions to end-markets today</li> <li>• KFM has secured firm takeaway capacity on PEPL and OGT</li> </ul>
<b>Competitive Advantage in Acquisitions</b>	<ul style="list-style-type: none"> <li>• KFM well positioned to serve other operators; major gas pipeline projects recently announced by others will be more costly and less timely</li> <li>• Modern processing recoveries and priority residue access to premium markets should result in higher netbacks</li> </ul>
<b>KFM's Expansion Offers Complementary, High-Growth Development Project</b>	<ul style="list-style-type: none"> <li>• Expansion focused on the next stage of STACK development</li> <li>• Limited G&amp;P infrastructure provides opportunity for KFM expansion</li> <li>• KFM involved in negotiations with anchor customers</li> </ul>
<b>Midstream Business Can Support Future Capital Needs</b>	<ul style="list-style-type: none"> <li>• Volumetric growth from third-party development provides upside</li> <li>• Attractive trading multiples and GP/IDR optionality / currency</li> <li>• Future opportunity to monetize KFM and fund upstream capital needs through an MLP IPO, drop downs, and GP / IDR distributions</li> </ul>

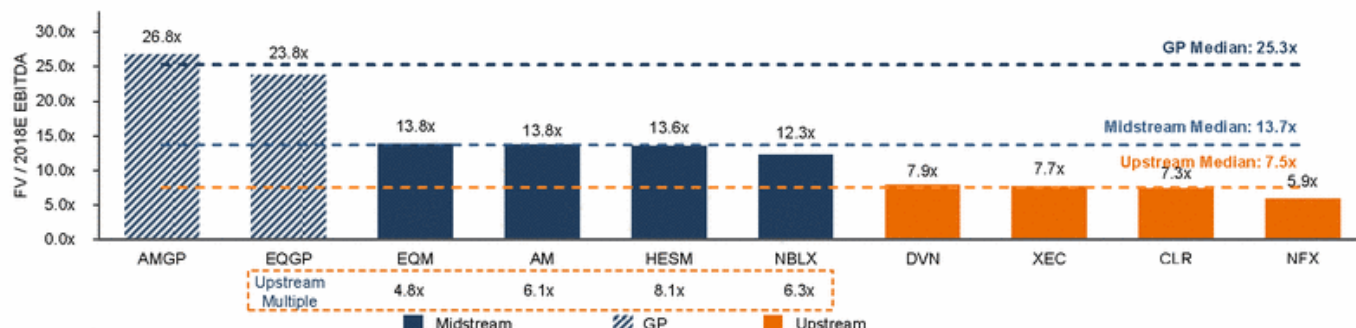


# Market Multiples for Midstream Higher than Upstream

*Alta Mesa owners to capture GP / IDR cash flow / multiple arbitrage*

## Valuation Arbitrage

- Likely valuation uplift (multiple arbitrage vs. traditional peer group)



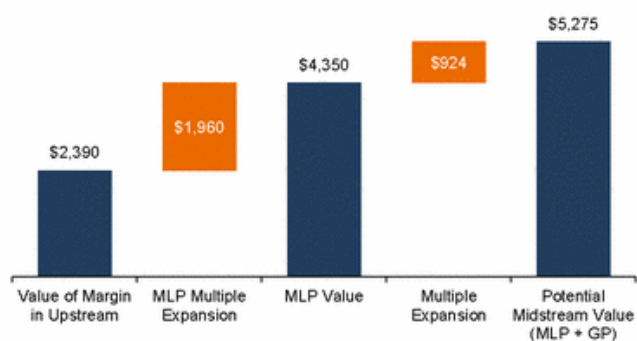
## Illustrative Value Accretion from GP Structure

- Potential to continue to benefit from cash flows through retained LP, GP, and IDR ownership interest

	Upstream	Midstream	GP	
EBITDA	\$1.0	\$1.0	\$1.0	
Splits	100%	100%	75%	25%
Multiple	7.5x	13.7x	13.7x	25.3x
Implied Value	\$7.5	\$13.7	\$10.3	\$6.3
Uplift	--	1.8x	2.2x	

## Illustrative Midstream Value Creation<sup>1</sup>

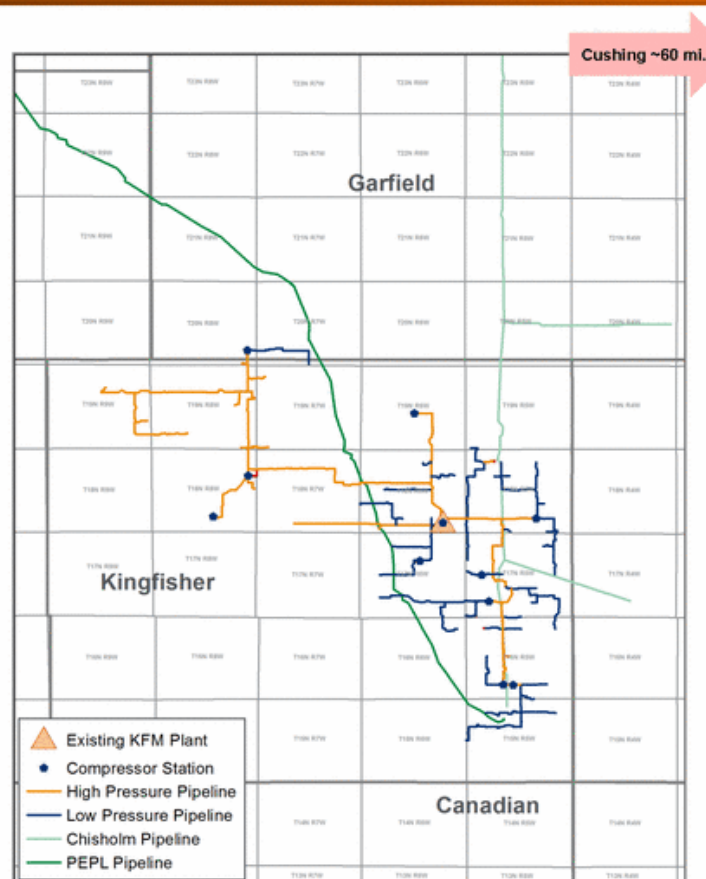
(\$ in millions)



<sup>1</sup> Illustrative KFM future value expansion assuming KFM 2019E EBITDA of \$318mm.

# Kingfisher Midstream Summary

## Existing Infrastructure



### Natural Gas Processing

- Current processing capacity of 60 MMCF/D
- Second 200 MMCF/D plant under construction
- 80 MMCF/D offtake processing expected 3Q 2017
- 1,200 BBL/D condensate stabilizer

### Low Pressure Pipeline

- 223 miles<sup>1</sup> of low-pressure crude and gas gathering lines
  - Natural gas gathering: 6"-16" pipeline
  - Crude gathering: 6"-8" pipeline

### High Pressure Pipeline

- 98 miles<sup>2</sup> of 4" to 16" rich gas transportation pipeline
  - Average operating pressure of 1,100 psig and piggable
- 4 miles of 16" residue gas pipeline with 230 MMCF/D of capacity to PEPL
- 5 miles of 16" residue gas pipeline connecting KFM to OGT in service October 2017
- 4 miles of 6" NGL Y-grade pipeline, with 10,000 BBL/D capacity to Chisholm Pipeline

### Compression Facilities

- Field Compression
  - 3 CAT 3516s at Lincoln South Location (4,140 total horse power)
  - 3 CAT 3516s at WSOR Location (4,140 total horse power)
  - 1 CAT 3516, 1 CAT 3306 at Garfield Compressor Site
  - 1 CAT 3508 at Snowden Compressor Site
  - 1 CAT 3516 at West Kingfisher Compressor Site
  - 1 CAT 3508 at Great Divide Compressor Site
- Inlet Compression – 6x CAT 3606s (10,650 total horse power)
- Residue Compression - 3x CAT 3516s (4,140 total horse power)

### Other Infrastructure




- 50,000 BBL crude storage with 6 truck loading LACTS
- 3 NGL bullet tanks: 90,000 gallon capacity

### Producer Connections

- 54 central delivery point receipt connections serve 188 units

Note: Represents multiple lines in ditch.  
<sup>1</sup> Includes 16 miles under construction  
<sup>2</sup> Includes 20 miles under construction

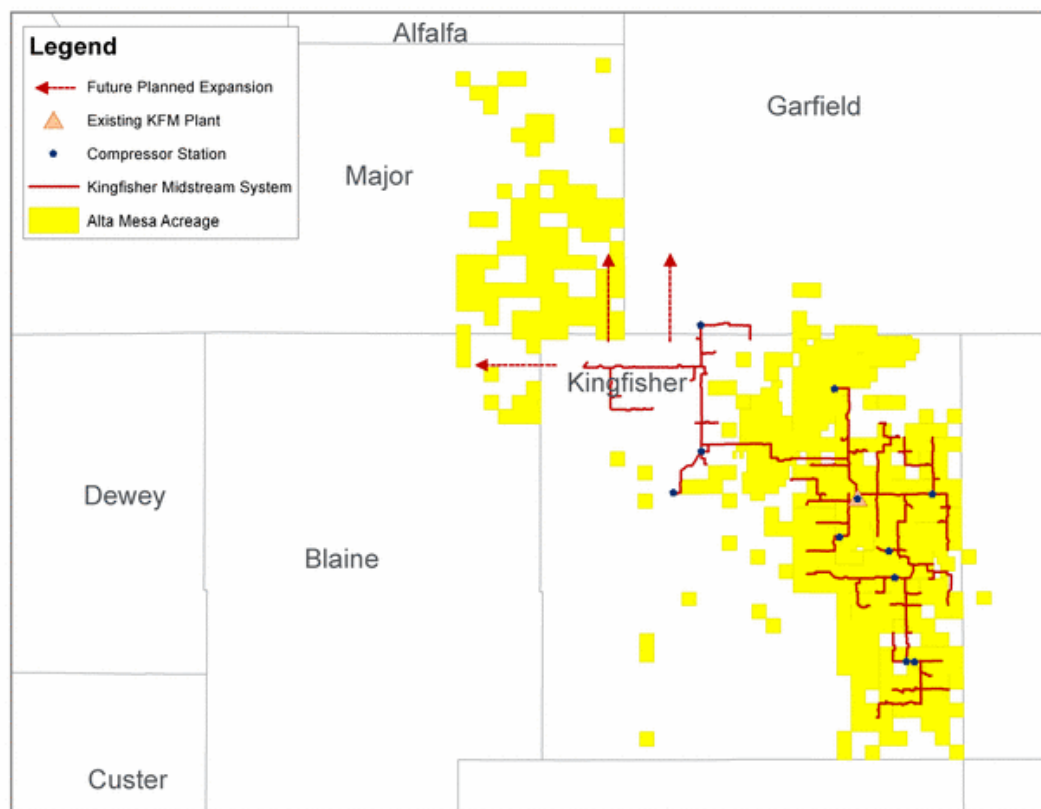
# KFM Midstream Takeaway Overview

Pipeline	Description	Current Takeaway Capacity	Expansion Projects	Commentary
Natural Gas 	<ul style="list-style-type: none"> <li>Connected to PEPL – owned and operated by Energy Transfer</li> <li>PEPL consists of four large diameter pipelines extending approximately 1,300 miles throughout Mid-Continent and other market centers</li> <li>KFM will connect to OGT Q3 2017</li> <li>OGT services local Oklahoma gas demand, but via on expansion will begin to deliver gas to WAHA in Q2 2018</li> </ul>	<ul style="list-style-type: none"> <li>100,000/day FT on PEPL</li> <li>50,000/day FT on OGT, expanding to 125,000/day June 2018               <ul style="list-style-type: none"> <li>25,000 Dth/d for 4 years</li> <li>100,000 Dth/d for 10 years</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>KFM in discussion with all proximate outlet pipelines looking to expand out of the basin</li> </ul>	<ul style="list-style-type: none"> <li>Gas takeaway is functionally full creating a constrained environment for some producers. KFM's residue position provides flow assurance and better netbacks for KFM producer clients</li> <li>Residue gas is split connect between PEPL and OGT, and under long term agreements insuring that KFM producer customers can flow out of the basin</li> <li>Capacity rates are low compared to new rates that will be needed to solidify new capacity out of the basin creating better netbacks for KFM producers dedicated to the system</li> </ul>
NGL 	<ul style="list-style-type: none"> <li>Connected to Chisholm Pipeline - operated by Phillips 66</li> <li>Delivers NGLs to Conway</li> </ul>	<ul style="list-style-type: none"> <li>Operational capacity of ~41,000 Bbls/d on existing Chisholm line</li> <li>Currently under a 3 year contract extendable for 2 1-year terms with shipper history</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to tie into other NGL pipelines in the area</li> <li>Volumes could warrant expansion or new build to Mt. Belvieu</li> </ul>	<ul style="list-style-type: none"> <li>Connected to P66's Chisholm Y-grade pipeline that takes Y-grade to Conway, KS for fractionation</li> <li>Multiple NGL lines within 7 miles of plant to further diversify Y-Grade options when needed</li> <li>KFM Y-grade optionality will allow producers to capture netback uplift between Conway, KS and Mt Belvieu</li> </ul>
Crude 	<ul style="list-style-type: none"> <li>Crude gathered to a central delivery point at the plant site</li> <li>Six truck bays for LACT loading and unloading</li> <li>Multiple pipeline connection options</li> </ul>	<ul style="list-style-type: none"> <li>Not currently committed</li> </ul>	<ul style="list-style-type: none"> <li>Long haul pipeline opportunities to Cushing and other demand sources in the area</li> </ul>	<ul style="list-style-type: none"> <li>Crude system is focused around keeping Alta Mesa barrels and future third party barrels clean to market, producing better netbacks</li> <li>Proximity to Cushing provides market optionality between in-state and the Gulf Coast refineries.</li> <li>No long terms commitments provide KFM the option to build out long-haul crude pipelines enhancing drop down inventory</li> </ul>



# KFM Phase III Expansion Overview

- Recent Major county acquisition adds scale through ~20,000 acre dedication
- Offset operator activity in the Western STACK reflects compelling economics driving producer interest and investment
- KFM has identified and plans to capitalize on this midstream opportunity and is rapidly commercializing this growth initiative
- KFM is in the process of securing acreage dedications and other resource allocations in the Western STACK



# Financial Summary





# Financial Strategy and Pro Forma Financial Impacts

## Significant Financial Flexibility

- Demonstrated trajectory to positive free cash flow with near-term development funded with transaction proceeds
- Secure robust liquidity to fund development, with near-term production growth ensured by KFM takeaway capacity
- Pro forma for this transaction, financial flexibility in place to pursue opportunistic acquisitions with a goal toward consolidation of the STACK region

## Maintain Conservative Balance Sheet

- Maintain conservative credit metrics of < 2.0x leverage through the cycle
- Preserve an optimal debt maturity profile
- Maintain simplified balance sheet

## Protect Cash Flow

- Prudent capital budget focused on securing leasehold and developing existing acreage
- Ensure capital budget is flexible to future changes in commodities and/or service costs
- Continued rolling hedge strategy to protect revenues and support development program

## Capitalization at Announcement

(\$ in millions, unless specified)	Current		Adjustments	Pro Forma
	Alta Mesa	KFM		
Cash and Cash Equivalents	\$5	\$28	\$517 <sup>1</sup>	\$551
Revolving Credit Facility	269 <sup>2</sup>	\$0	(269) <sup>3</sup>	0
7.875% Senior Notes due 2024	500			500 <sup>3</sup>
Total Debt	\$769	\$0	(\$269)	\$500
Net Debt	763			(51)
<b>Financial and Operating Statistics</b>				
2017E EBITDA	\$155	\$42		\$197
2018E EBITDA	358	184		543
2019E EBITDA	701	318		1,019
<b>Credit Metrics</b>				
Net Debt /				
2017E EBITDA				NM
2018E EBITDA				NM
2019E EBITDA				NM
<b>Liquidity</b>				
Expected Borrowing Base	\$315	\$200		\$515
Less: Amount Drawn	269		(269)	0
Expected Borrowing Base Availability	\$46			\$515
Plus: Cash and Cash Equivalents	5			551
Liquidity	\$52			\$1,066

<sup>1</sup> Cash to balance sheet includes funding for interim cash needs until closing.

<sup>2</sup> Current revolving credit facility balance as of 8/10/2017 does not include approximately \$5mm of letters of credit.

<sup>3</sup> Change of control not triggered for 2024 Senior Notes upon execution of transaction.



# 2017 Capital Budget and Hedge Position

## Commentary

### Alta Mesa

- Alta Mesa's 2017 net capital budget is estimated to be \$349MM, ~11% higher than capital expenditures of \$316MM in 2016
- Alta Mesa estimates that ~\$108MM of the FY 2017 capital budget will be funded by Bayou City per the JV agreement
- Alta Mesa's total 2017 capital budget is estimated to be \$458MM, including the Bayou City Energy JV
- FY 2017 acquisition (including leaseholds) capex spending expected to total \$85MM, or ~19% of the total deployed budget (including Bayou City Energy JV)
- Expect 10-Rig program in the STACK by YE18
- Continue growth and efficiency gains in the STACK while maintaining conservative Leverage Ratio

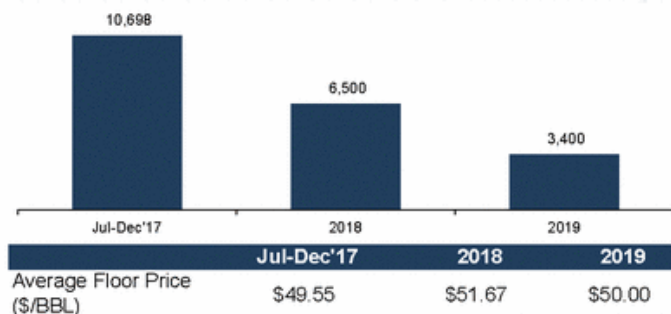
### Kingfisher Midstream

- KFM's 2017 net capital budget is estimated to be \$251MM
- Growth capital categorized through processing, pipeline, high / low pressure well connects, compression lease principal payments and compression lease interest expense items

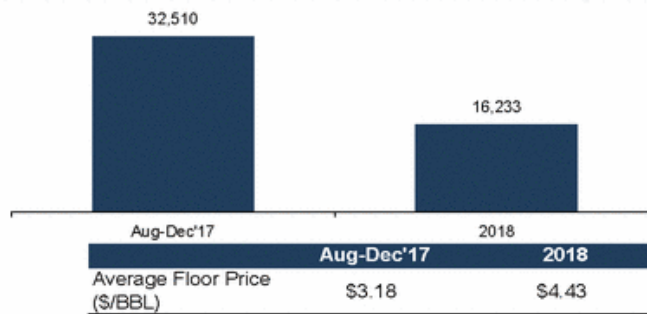
## 2017E Capital Budget by Quarter (\$MM) – Excl. Acquisitions<sup>1</sup>



## Oil Hedged (BBL/D) – as of 6/30/17



## Gas Hedges (MCF/D) – as of 6/30/17



Disciplined management protects future revenues and preserves asset value by hedging large percentage of proved-developed and prompt-year production. Currently hedge WTI (oil), Henry Hub (gas), Conway (propane), and Mid-Con gas basis.

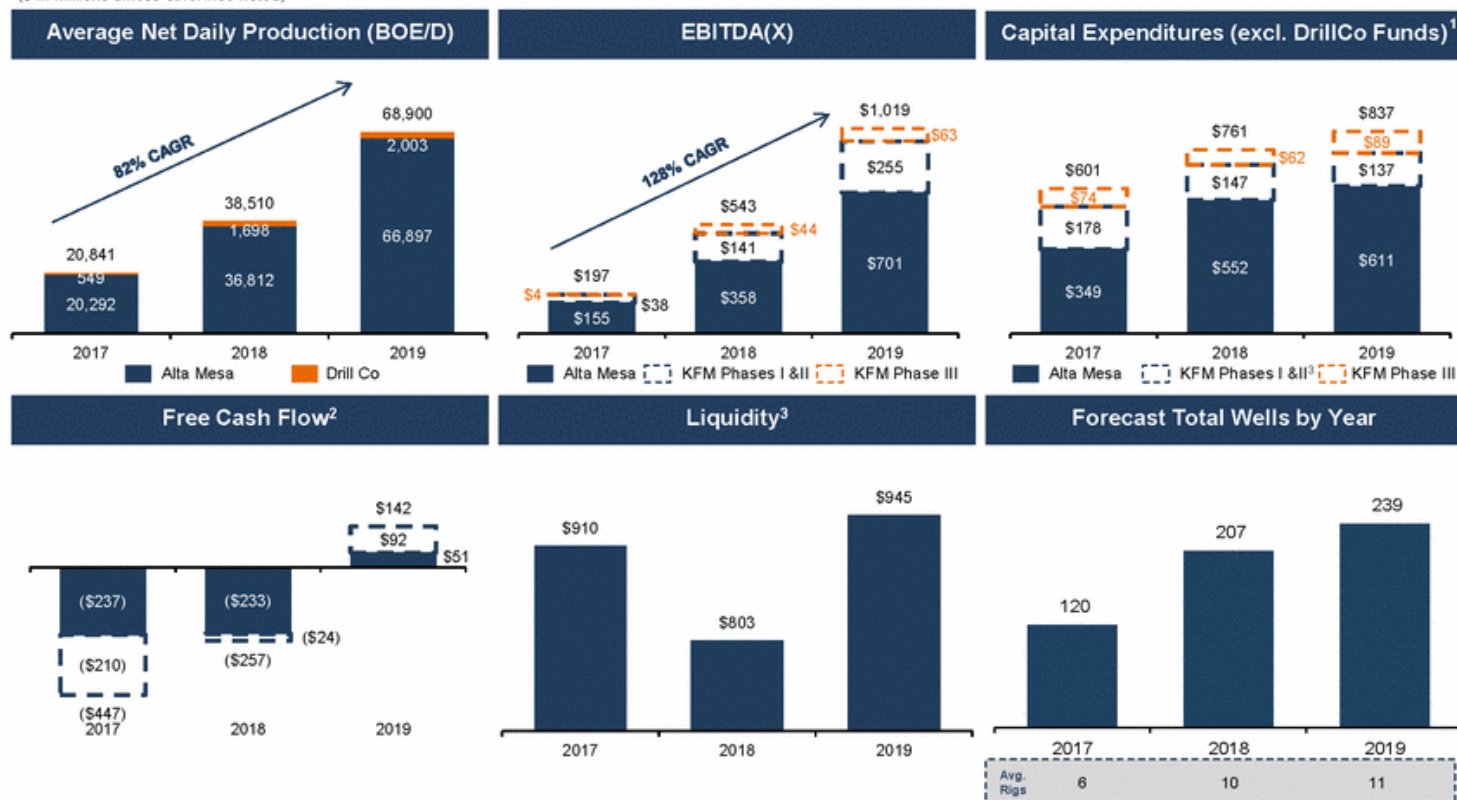
<sup>1</sup> Does not include Bayou City Energy JV.





# Summary Financial Projections

(\$ in millions unless otherwise noted)



Note: Assumes Broker Consensus Price Deck (2017: \$51.16/bbl / \$3.16/mcf; 2018: \$54.90/bbl / \$3.14/mcf; 2019: \$58.00/bbl / \$3.05/mcf and held flat thereafter).

<sup>1</sup> DrillCo Funds is Bayou City JV deal.

<sup>2</sup> Phase I & II capex includes planned, non-optional Phase III capex.

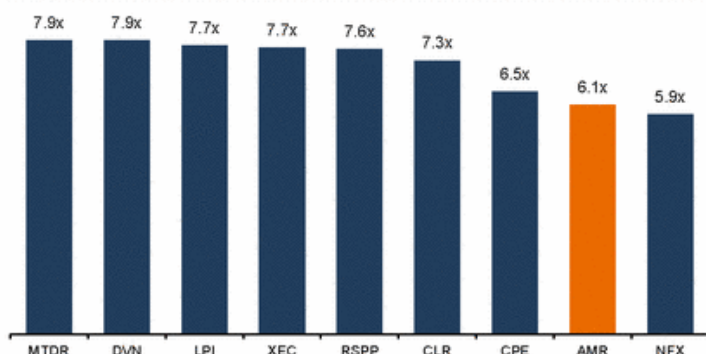
<sup>3</sup> Assumes borrowing base increase from \$515mm to \$665mm in 2018 and includes funding for interim cash needs until closing and KFM revolving credit facility. Assumes combined FCF deficit of (\$155)mm from current until year-end 2017.



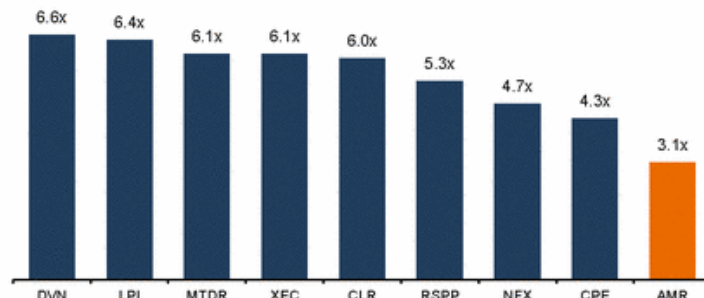
# Valuation Benchmarking

(\$ in millions unless otherwise noted)

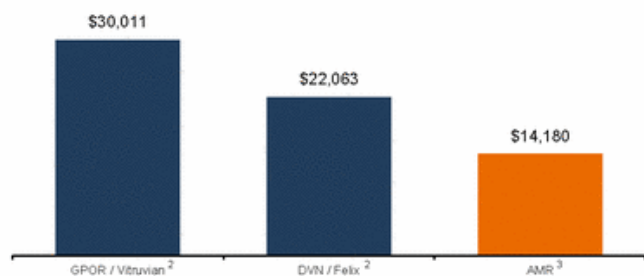
Firm Value / 2018E EBITDA



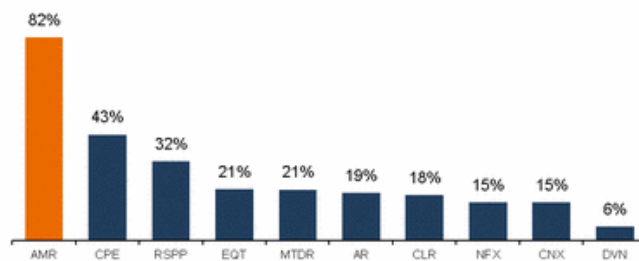
Firm Value / 2019E EBITDA



Adjusted Firm Value<sup>1</sup> / Net Acres



2017E – 2019E Production CAGR



<sup>1</sup> PDP value adjusted at \$30,000 / BOE/D unless otherwise noted.

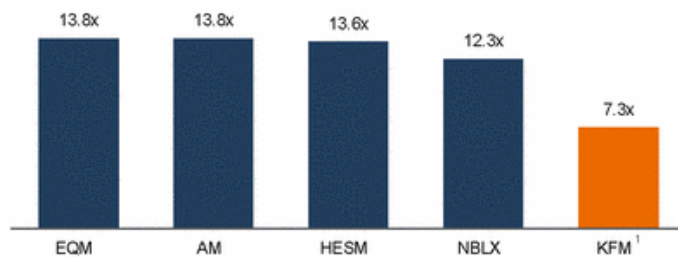
<sup>2</sup> PDP value adjusted at \$15,000 / BOE/D.

<sup>3</sup> Alta Mesa PDP value assumes Broker Consensus Price Deck (2017: \$51.16/bbl / \$3.16/mcf; 2018: \$54.90/bbl / \$3.14/mcf; 2019: \$58.00/bbl / \$3.05/mcf and held flat thereafter). Excluding the Major County acreage, our adjusted \$ / net acre is \$17,158 / acre.

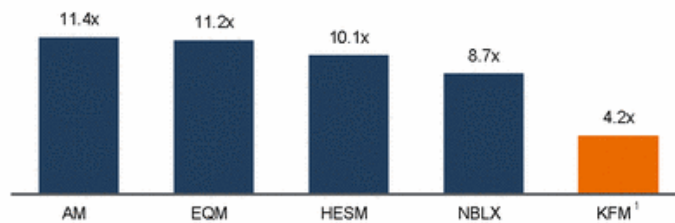
# Benchmarking KFM Against High Growth G&P Peers

(\$ in millions unless otherwise noted)

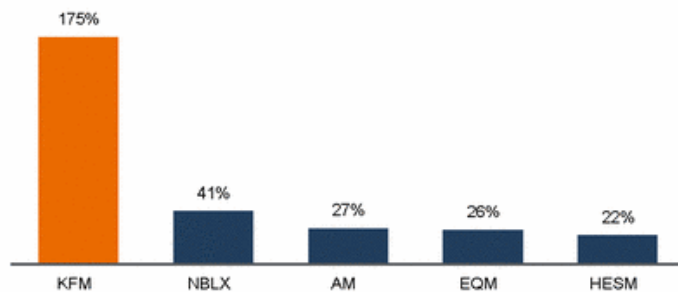
Firm Value / 2018E EBITDA



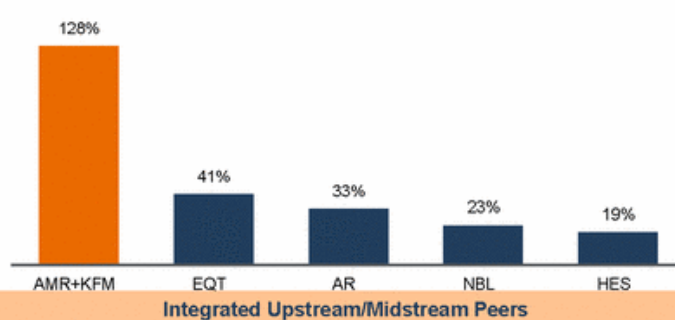
Firm Value / 2019E EBITDA



Midstream 2017E – 2019E EBITDA CAGR



Consolidated 2017E – 2019E EBITDA CAGR



<sup>1</sup> Includes midstream Firm Value only.

# Anticipated Transaction Timeline



Date	Event
Weeks of September 4 <sup>th</sup> – September 29 <sup>th</sup>	<ul style="list-style-type: none"><li>• Transaction marketing</li></ul>
Mid-September 2017	<ul style="list-style-type: none"><li>• File preliminary proxy statement / marketing materials with the SEC</li></ul>
Mid/Late-November 2017	<ul style="list-style-type: none"><li>• Anticipated close</li></ul>



## Pure Play STACK Company

*Premier liquids upstream growth with value-enhancing midstream*

- World class asset with attractive geology
- Top-tier operator with substantial in-basin expertise
- Industry-leading growth potential; 2-year expected EBITDA CAGR of 128%
- Highly strategic and synergistic midstream subsidiary with Kingfisher Midstream
- Financial strength and flexibility to execute business plan through the cycle; cash flow positive in 2019

# Appendix



# Alta Mesa Management



## Jim Hackett

*Executive Chairman and COO of Midstream*

- Jim Hackett is a Partner at Riverstone and became a director of Silver Run II in 2017
- Prior roles include:
  - Chairman and CEO of Anadarko
  - President and COO of Devon Energy
  - Chairman, President and CEO of Ocean Energy
  - President of several midstream companies, as well as responsible for DCP Midstream and Western Gas Resources
- Director of Enterprise Products Holdings, Fluor Corporation, National Oilwell Varco, Sierra Oil & Gas, and Talen Energy
- Former Chairman of the Board of the Federal Reserve Bank of Dallas
- Holds a B.S. from the University of Illinois and a MBA/MTS from Harvard University

## Hal Chappelle

*President and Chief Executive Officer*

- Hal Chappelle joined Alta Mesa as President and CEO in 2004 and became a director in 2004
- Developed Alta Mesa into a premier STACK operator, building a strong management and technical team
- Successfully navigated Alta Mesa through significant industry cycles, building the Company's oil assets in 2009-2010 and divesting of the company's gas assets in 2014-2016
- Over 30 years of industry experience in field operations, engineering, management, trading, acquisitions and divestitures, and field re-development
- Previously held roles at Louisiana Land & Exploration, Burlington Resources, Southern Company and Mirant
- Holds a Bachelor of Chemical Engineering from Auburn University and an M.S. in Petroleum Engineering from the University of Texas

## Michael McCabe

*Vice President and Chief Financial Officer*

- Michael McCabe joined Alta Mesa in 2006 and became a director in 2014
- Raised private equity capital for Alta Mesa from Denham Capital in 2006, HPS Investment Partners in 2013, and Bayou City in 2015; successfully navigated Alta Mesa through two industry cycles
- Has over 25 years of corporate finance experience with a focus on the energy industry
- Previous management experience includes serving as President and sole owner of Bridge Management Group, Inc., a private consulting firm
- Mr. McCabe's leadership experience also spans senior positions with Bank of Tokyo, Bank of New England and Key Bank
- Holds a B.S. in Chemistry and Physics from Bridgewater State University, an M.S. in Chemical Engineering from Purdue University, and an MBA from Pace University



# Alta Mesa Management



## Michael Ellis

### Founder and COO of Upstream Operations

- Michael Ellis founded Alta Mesa in 1987 after beginning his career with Amoco
- Served as Chairman and COO as well as Vice President of Engineering and has over 30 years of experience in management, engineering, exploration, and acquisitions and divestitures
- Built Alta Mesa's asset base by starting with small earn-in exploitation projects, then growing with successive acquisitions of fields from major oil companies
- Holds a B.S. in Civil Engineering from West Virginia University

## Gene Cole

### VP and Chief Technical Officer

- Gene Cole has served in the position of Vice President and Chief Technical Officer since 2015 and became a director in 2015
- Over 25 years of extensive domestic and international oilfield experience in management, well completions, well stimulation design and execution
- Started his career with Schlumberger Dowell as a field engineer and served in numerous increasingly responsible positions from 1986 to 2007
- Holds a B.S. in Petroleum Engineering from Marietta College

## David Murrell

### VP, Land and Business Development

- David Murrell has served as Vice President, Land and Business Development since 2006
- Over 25 years of experience in Gulf Coast leasing, exploration and development programs, contract management and acquisitions and divestitures
- Created a structured land management system for Alta Mesa and built a team of lease analysts, landmen, and field representatives to facilitate Alta Mesa's growth
- Holds a B.B.A. in Petroleum Land Management from the University of Oklahoma

## Kevin Bourque

### VP, Operations

- Kevin Bourque progressed through several roles to the position of Vice President of Mid-Continent Operations in 2012 when we began STACK horizontal drilling program
- He joined Alta Mesa as a field engineer in 2007
- Led the growth of our mid-continent drilling and production operations as we expanded our presence in Oklahoma
- 10+ years of E&P operational experience with Alta Mesa
- 10+ years of project management and business management experience as the owner of his own company

## Tim Turner

### VP, Corporate Development

- Tim Turner joined Alta Mesa as Vice President of Corporate Development in 2013
- Over 30 years of industry experience including various operations, reservoir engineering and managerial roles with Sun Oil, Santa Fe Minerals, Fina Oil & Chemical, Total, Newfield Exploration, and Quantum Resources
- Led multi-disciplined A&D and asset teams
- Managed corporate reserves and planning functions
- Led business development and new ventures teams
- Holds a B.S. in Petroleum Engineering from the University of Texas and an MBA in Finance from Oklahoma City University

## David McClure

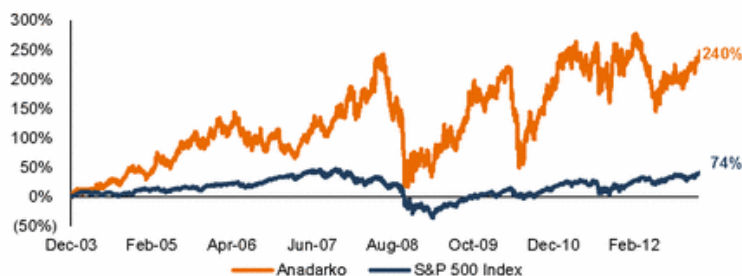
### VP, Facilities & Midstream

- David McClure has served as Vice President of Facilities and Midstream Operations since 2016
- From 2010 to 2016, he was Vice President for Louisiana Operations, leading a multi-disciplined team of engineers, regulatory, land, geoscience, and operations personnel in development of the Weeks Island field
- Previously held roles at ExxonMobil Production Company and Tetra Technologies
- Over 15 years of industry experience in field operations, facilities and subsea engineering, pipelines, and management
- Holds a B.S. in Chemical Engineering from Auburn University

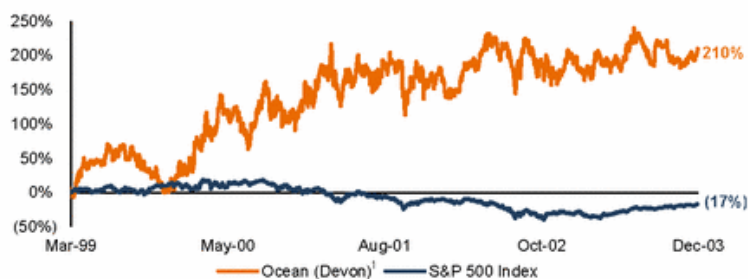
# Jim Hackett's Track Record

*Under Mr. Hackett's leadership as Chairman, President, and/or CEO of Anadarko from 2003 to 2013, Anadarko was transformed into one of the largest U.S. oil and gas producers, growing its market cap from approximately \$12 billion to over \$43 billion. Prior to Anadarko, Mr. Hackett was also a key contributor to the market outperformance of Devon Energy.*

## Anadarko Public Market Outperformer (2003 – 2013)



## Ocean (Devon)<sup>1</sup> Public Market Outperformer (1999 – 2003)



### Strategic Thought Leader

- Created new mission for Anadarko in 2003, upgraded corporate leadership capabilities, rationalized and refocused the portfolio, improved technical and financial risk management tools and processes, and generated success through expansion into unconventional onshore and conventional offshore assets
- Applied leading-edge technology and processes in drilling, completions, and production
- Dynamic leader for years serving as President and COO of Devon Energy, Chairman, President and/or CEO of Ocean Energy, president of several midstream companies, responsible for Duke Energy and PanEnergy's midstream and upstream businesses, and drove Anadarko's midstream business consolidation and MLP/GP IPO – Western Gas Partners and Western Gas Resources

### Benchmark for Operational Excellence and Execution

- Premier operator with some of the best production metrics in U.S. onshore, U.S. Gulf of Mexico, and offshore East Africa

Source: FactSet.

Note: An investment in Silver Run Acquisition Corporation II is not an investment in Anadarko or Devon. The results of Anadarko or Devon are not necessarily indicative of the future performance of Silver Run Acquisition Corporation II.

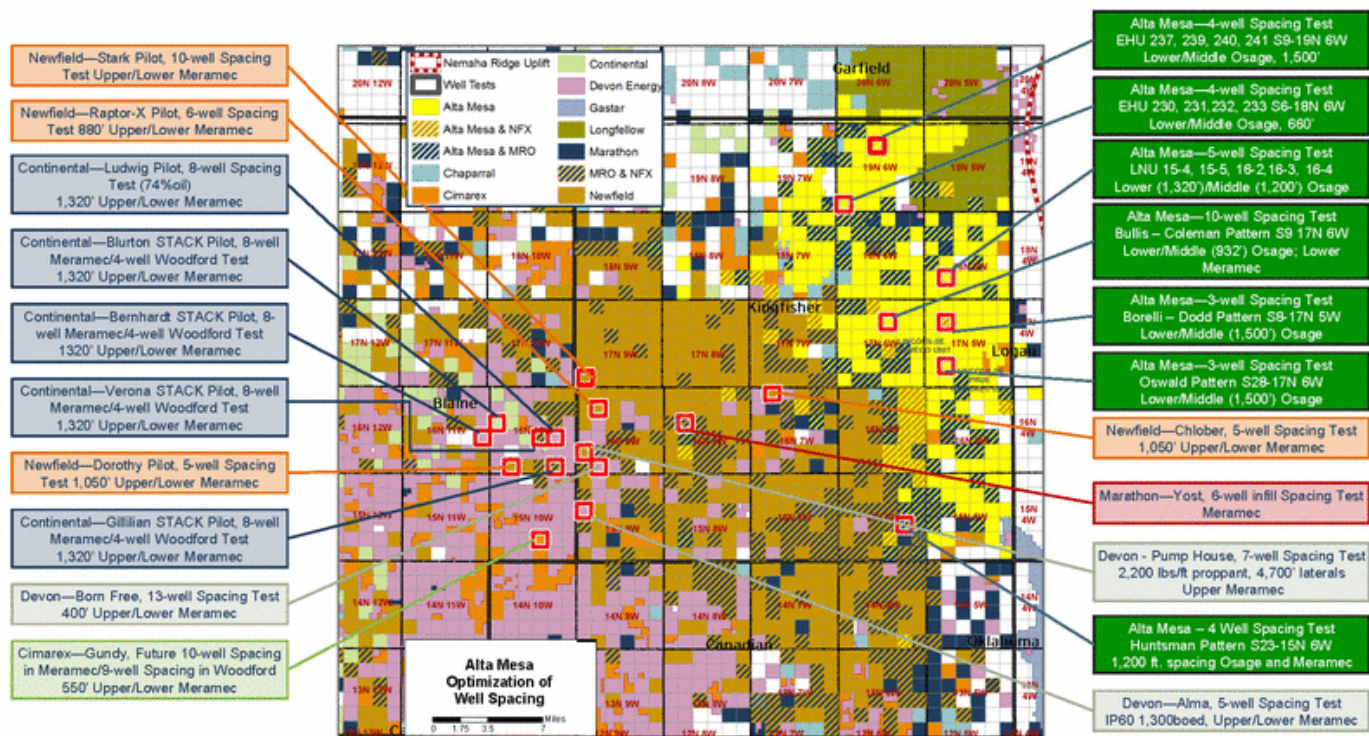
<sup>1</sup> Chart displays Ocean share price performance until merger with Devon completed. Thereafter, chart shows Devon performance on a per-Ocean share basis.



# Well Spacing Optimization on De-Risked Acreage

DVN, CLR, MRO, NFX and AMR aggressively defining optimum spacing

## Alta Mesa is the Leader in the Oil Window with Successful Long Life Spacing Tests



Source: 1Derrick, IHS, Drilling Info and Company Presentations.



# Completion Design

Focus on increasing stimulated reservoir volume

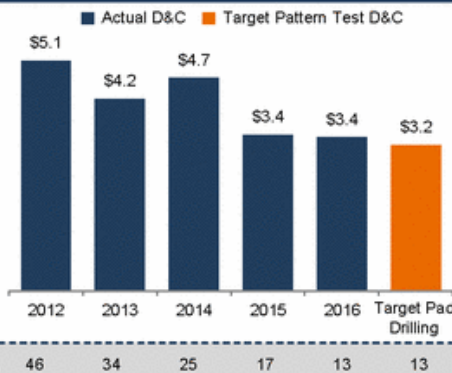
## STACK Well Completion Strategy

- Progressed through testing multiple generations
- Highly fractured area benefits from "open-hole" design
- Targeting average lateral length of 4,800ft (one-mile)
- Drilling N-S orientation to intersect natural fractures
- Controlled flowback rate to optimize conductivity
- Generation 2.5 proppant loading is optimum at an average of 1,400 lb/ft; tested up to 2,100 lb/ft

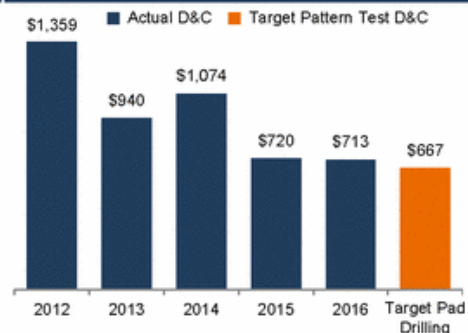
## Current Completion Design Targets

- 7" intermediate casing + 4.5" liner in lateral
- Open-hole swell packers; proppant loading of 1,400 lbs/ft
- 3 joints (casing) between packers defines 150ft stages
- 10,000 bbls of slick water per stage
- 100 bbl/min total fluid injection rate
- Cap flowback rate at 100 bbl/hr of total fluid

## Total D&C Cost (\$MM)

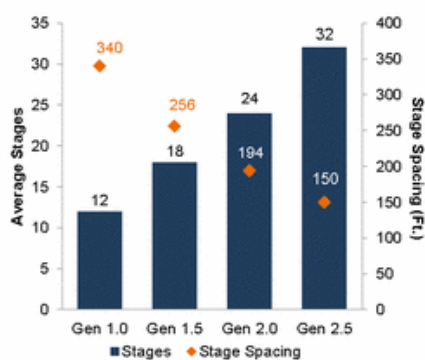


## D&C Cost / Lateral Foot

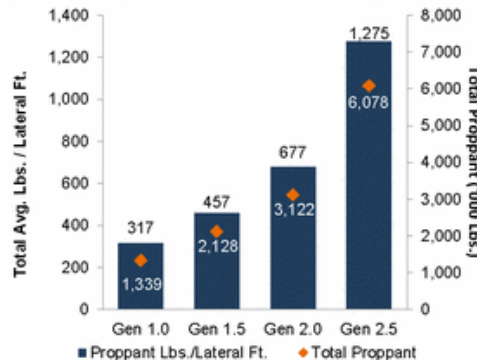


## Averages by Completion Generation

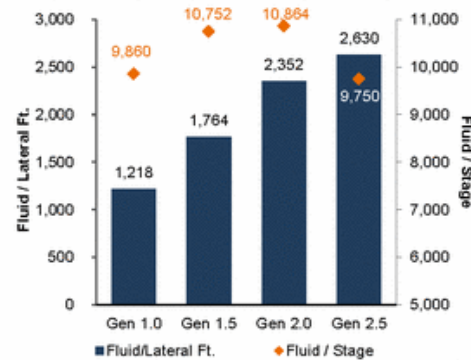
### Stage Spacing



### Proppant



### Fluid



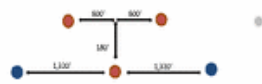
Source: Company Data.

# Multiple Long Term Density Pattern Tests

## Density Patterns Test Horizontal and Vertical Spacing

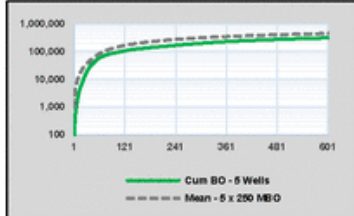
### Spacing Pattern

1,320ft spacing / 2 benches  
Section 29 18N 5W

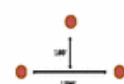


Implies 12 wells per section  
Cum 622 MBOE – 780 days

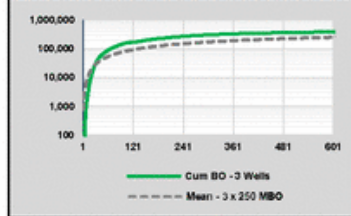
### Pattern Results



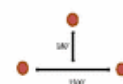
1,500ft spacing / 2 benches  
Section 8 17N 5W



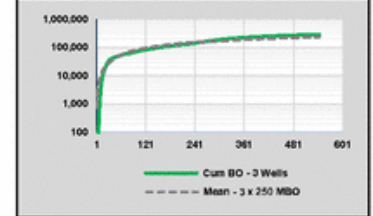
Implies 12 wells per section  
Cum 663 MBOE – 660 days



1,500ft spacing / 2 benches  
Section 28 17N 5W



Implies 12 wells per section  
Cum 480 MBOE – 540 days



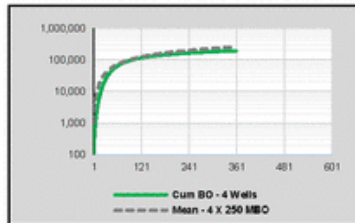
### Spacing Pattern

660ft spacing / 2 benches  
Section 31 19N 6W

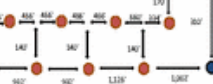


Implies 24 wells per section  
Cum 319 MBOE – 360 days

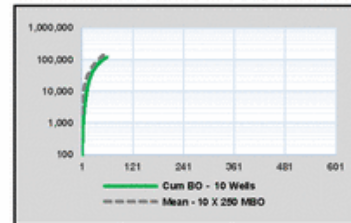
### Pattern Results



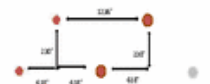
1,000ft spacing / 3 benches  
Section 9 & 10 17N 6W



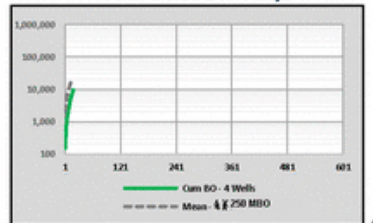
Implies 18 wells per section  
Cum 348 MBOE – 56 days



1,200ft spacing / 2 benches  
Section 23 15N 6W



Implies 12 wells per section  
Cum 12 MBOE – 19 days



# NAV Model Assumptions

Area	Operated			Other
	Osage	Meramec	Oswego	DrillCo
<b>Pricing &amp; Discount Assumptions</b>				
Gas Differential (% of HH)	95%	95%	95%	95%
Oil Differential (% of WTI)	94%	94%	94%	94%
NGL Realization (% of WTI)	45%	45%	45%	45%
<b>Drilling Assumptions</b>				
Number of Drilling Locations	2,388	1,264	484	60
Working Interest - Operated (%)	72%	74%	75%	57%
Working Interest - Other (%)	15%	15%	13%	--
NR1 - Operated (%)	60%	61%	62%	47%
NR1 - Other (%)	12%	12%	11%	--
Fixed Operating Cost (\$/well/month)	\$9.7	\$9.7	\$9.7	\$9.7
Variable LOE (\$ / bbl of oil)	\$2.23	\$2.23	\$2.23	\$2.23
Gas Marketing & Transportation (\$ / mcf of gas) - Until 2021	\$0.35	\$0.35	\$0.35	\$0.35
Gas Marketing & Transportation (\$ / mcf of gas) - Thereafter	\$0.35	\$0.35	\$0.35	\$0.35
Initial Production Tax - Oil (%)	2.1%	2.1%	2.1%	2.1%
Initial Production Tax - Gas/NGLs (%)	2.1%	2.1%	2.1%	2.1%
Severance Holiday (months)	36	36	36	36
Production Tax - Oil (%)	7.1%	7.1%	7.1%	7.1%
Production Tax - Gas/NGLs (%)	7.1%	7.1%	7.1%	7.1%
Ad Valorem Tax (%)	0.0%	0.0%	0.0%	0.0%
Drilling & Completion Cost (\$mm) <sup>1</sup>	\$3.5	\$3.5	\$2.5	\$0.3
<b>EUR Assumption</b>				
<b>Gross EUR</b>				
Gross Sales Gas EUR (MMcf)	1,571	1,425	168	1,571
Gross NGL EUR (Mbbbl)	141	128	15	141
Gross Oil EUR (Mbbbl)	250	249	200	250
Total Gross EUR (Mboe)	652	615	243	652
<b>Type Curve Assumptions</b>				
<b>Oil</b>				
IP, 24-hr (Bbl/d)	200	170	320	200
Duration of Incline (Months)	2	2	--	2
Peak Rate (Bbl/d)	350	500	320	350
B Factor	1.20	1.20	1.20	1.20
Di-Continuous (Nominal) Decline (%)	73%	80%	72%	73%
Terminal Decline (%)	7%	7%	7%	7%
<b>Natural Gas</b>				
IP, Unshrunk, 24-hr (Mcf/d)	500	296	320	500
Duration of Incline (Months)	4	2	--	4
Peak Rate (Mcf/d)	900	1,250	320	900
B Factor	1.50	1.50	1.20	1.50
1-Di-Continuous (Nominal) Decline (%)	41%	58%	72%	41%
Terminal Decline (%)	5%	5%	7%	5%
NGL Yield (bbls/MMcf)	75	75	75	75
% Gas Shrink	15.9%	16.1%	15.9%	15.9%

DrillCo includes all  
Osage Wells

Note: Assumes 4,800 lateral length for all type curves.  
<sup>1</sup> D&C shown including PAD D&C facilities costs.

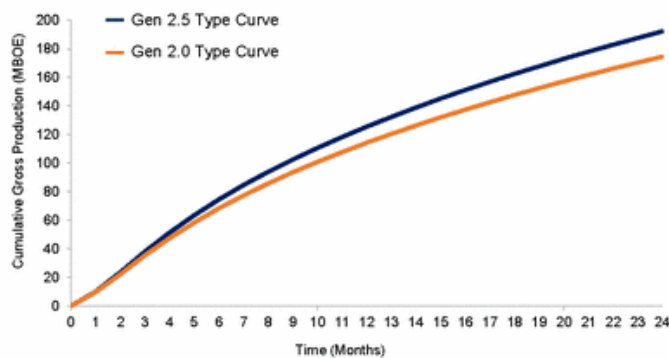


# Osage Type Curve

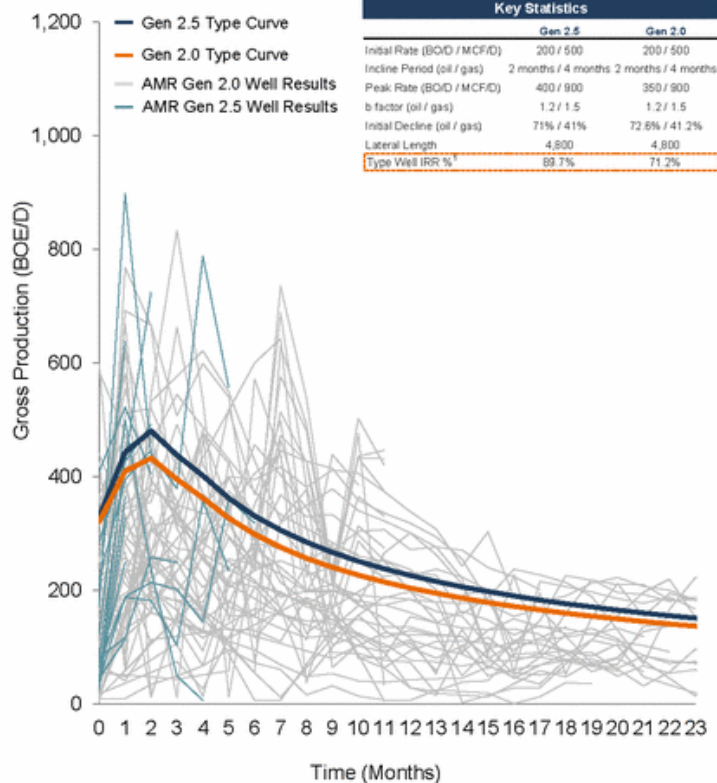
## Summary

- 118 Generation 2.0+ wells with production history
- Average Generation 2.5 lateral length of 4,612'; Generation 2.0+ 4,767'
- Type Curve average 30-day IP 0.3 MBOE/D
- Type Curve average 180-day cumulative production of 75 MBOE
- Generation 2.5 Type Curve
  - 622 MBOE 2-Stream EUR; 714 MBOE 3-Stream EUR
  - 303 MBO, 1.6 BCF residue, 144 MB NGL
- Generation 2.0 Type Curve
  - 561 MBOE 2-Stream EUR; 652 MBOE 3-Stream EUR
  - 250 MBO, 1.6 BCF residue, 141 MB NGL
- Type Curves assume 16% Shrink and 75 bb/MMcf NGL yield

## Average Type Curve Cumulative Production



## Average Type Curve



Note: Production data normalized for 4,800' lateral length.

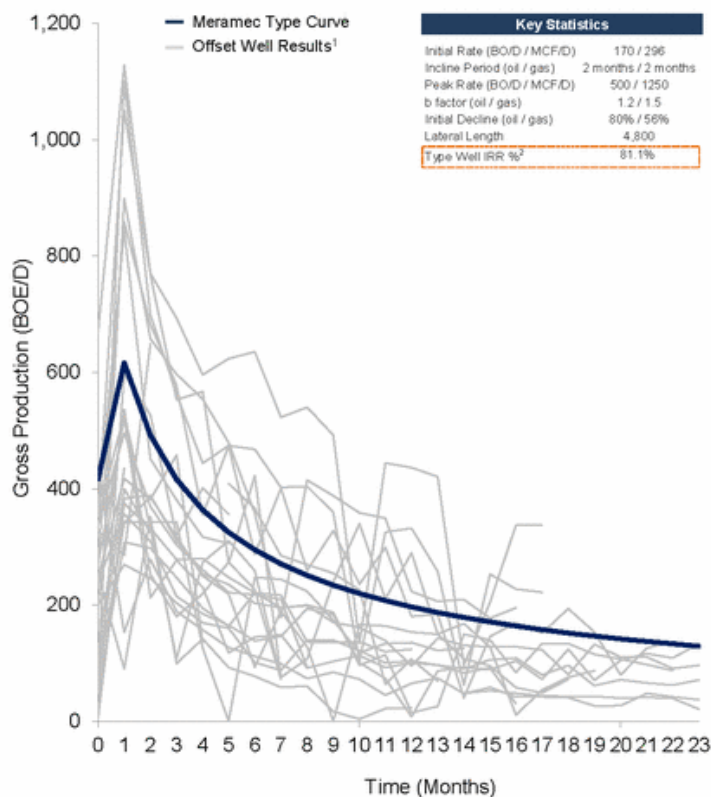
<sup>1</sup> NYMEX Strip as of 8/3/2017. Does not include \$300k PAD D&C facilities costs. Adjusted for transportation costs paid to KFM. Excludes \$1.25 / bbl oil transportation costs.

# Meramec Type Curve

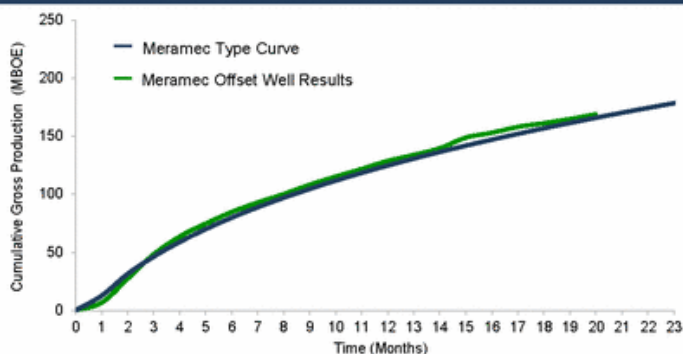
## Summary

- Over 100 wells drilled in the Meramec by Newfield, Devon, Marathon, Gastar, and Chaparral
- Alta Mesa is beginning to drill Meramec wells with performance expectations similar to the Osage
- Alta Mesa will be joint developing the Meramec with Osage stack and staggered well tests
- Majority of active rigs in the STACK play are targeting the Meramec to the southwest
- Average Type Curve Results
  - 532 MBOE 2-Stream EUR; 615 MBOE 3-Stream EUR
  - 249 MBO, 1.4 BCF residue, 128 MB NGL
- Type Curve assumes 16% Shrink and 75 bb/MMcf NGL yield

## Average Type Curve



## Average Type Curve Cumulative Production



Note: Production data normalized for 4,800' lateral length.

<sup>1</sup> Offset results based on Meramec wells drilled in the Updip Oil window of Kingfisher County since 2014.

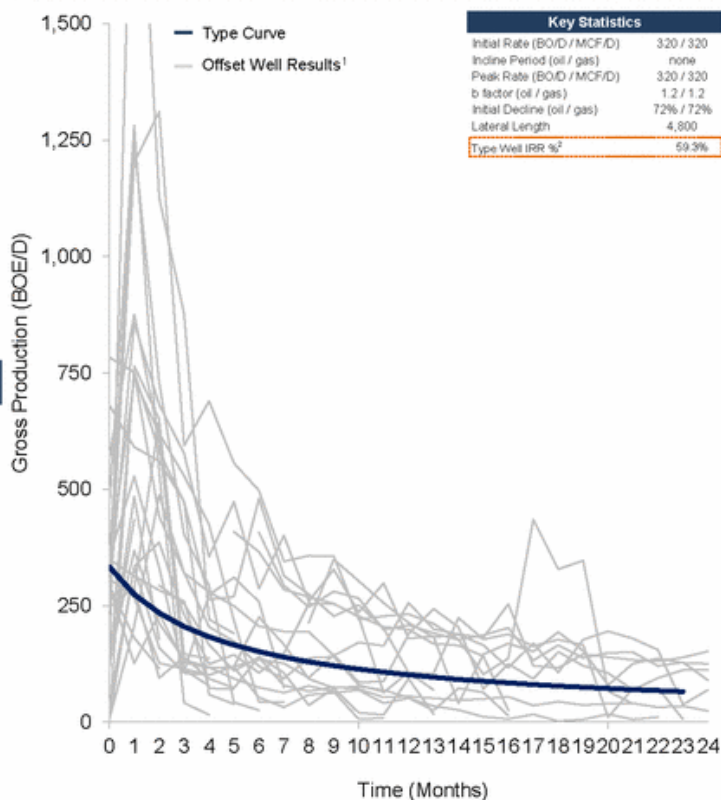
<sup>2</sup> NYMEX Strip as of 8/3/2017. Does not include \$300k PAD D&C facilities costs. Adjusted for transportation costs paid to KFM. Excludes \$1.25 / bbl oil transportation costs.

# Oswego Type Curve

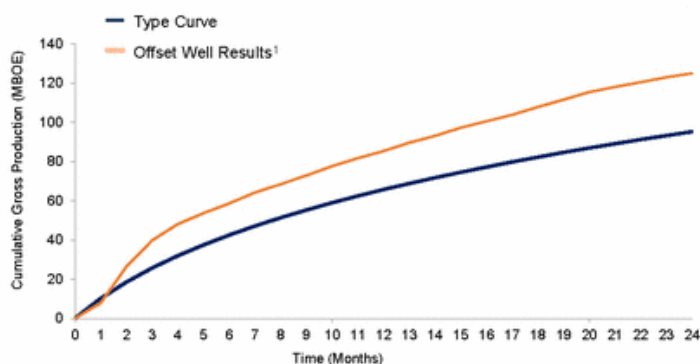
## Summary

- Chesapeake, Chaparral, Cimarex, Gstar, and Longfellow are actively targeting the Oswego
- Other operators have future plans to develop the Oswego as a cheaper/shallower target
- IP rates are typically lower than Osage/Meramec wells, but decline rates are shallower
- With drilling and completion costs cheaper for the Oswego, well results do not have to be as strong as the headline STACK formations to make economic wells
- Average Type Curve Results
  - 233 MBOE 2-Stream EUR; 243 MBOE 3-Stream EUR
  - 200 MBO, 0.2 BCF residue, 15 MB NGL
- Type Curve assumes 16% Shrink and 75 bbl/MMcf NGL yield

## Average Type Curve



## Average Type Curve Cumulative Production



Note: Production data normalized for 4,800' lateral length.

<sup>1</sup> Offset results based on Oswego wells drilled in the Uppip Oil window of Kingfisher County since 2014.

<sup>2</sup> NYMEX Strip as of 8/3/2017. Does not include \$300k PAD D&C facilities costs. Adjusted for transportation costs paid to KFM. Excludes \$1.25 / bbl oil transportation costs.



# Substantial Inventory of Drilling Locations

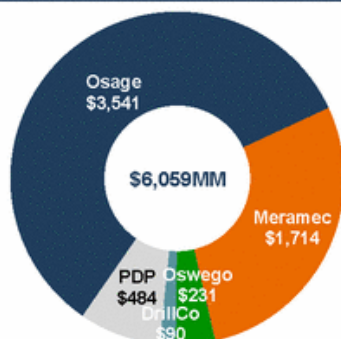
	Identified Drilling Locations		Prospective Drilling Locations				Combined
	Locations	Average Working Interest (%)	Other Formations Locations	Downspacing Locations	Total Locations	Average Working Interest (Including Downspacing Locations) (%)	Total Locations
Operated:							
Osage.....	1,196	72%	--	1,141	1,141	73%	2,337
Meramec.....	676	74%	--	676	676	74%	1,352
Oswego.....	203	75%	--	206	206	81%	409
Manning.....	--	--	168	--	168	75%	168
Other Formations.....	--	--	1,327	--	1,327	70%	1,327
Total Operated.....	2,075	73%	1,495	2,023	3,518	73%	5,593
Drilling Inventory (Years)	14.4	--	10.4	14.0	24.4	--	38.8
Other:							
Osage.....	1,252	15%	--	1,113	1,113	15%	2,365
Meramec.....	588	15%	--	596	596	15%	1,184
Oswego.....	281	13%	--	310	310	14%	591
Manning.....	--	--	316	--	316	14%	316
Other Formations.....	--	--	2,084	--	2,084	55%	2,084
Total Other.....	2,121	15%	2,400	2,019	4,419	28%	6,540
Total Gross Locations	4,196		3,895	4,042	7,937		12,133

Note: Does not include additional resource potential or undeveloped locations on ~20,000 net acres recently acquired in the Major County Acquisition.

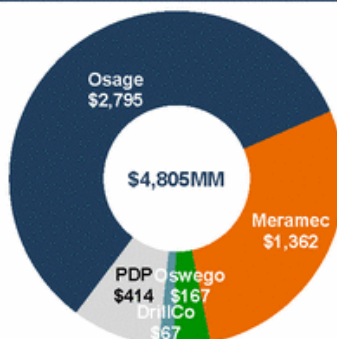
# Substantial Resources

## Volumes and PV-10 Value for 4,196 Primary Gross Identified Locations Only

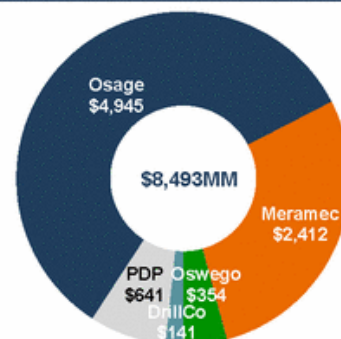
PV-10 at Research Consensus



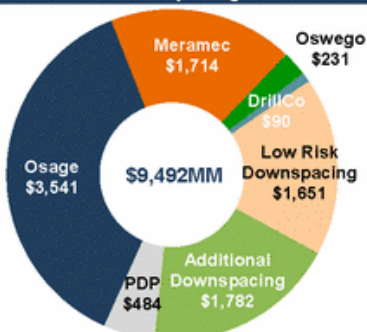
PV-10 at NYMEX<sup>1</sup>



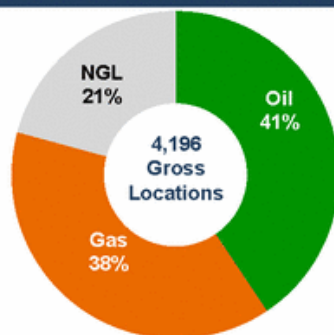
PV-10 at \$70/\$3.50



PV-10 at Research Consensus including Downspacing<sup>2</sup>



Identified Locations by Commodity



Base PV-10 by Operated at Research Consensus



Note: PV-10 figures are pre-tax, pre-G&A, pre-Net Debt, do not include the impact of hedges, and exclude \$64mm Pipeline and facilities capital expenditures (PV-10). PV-10 figures as of 7/1/2017. Reflects Generation 2.0 Type Curve. Assumes Broker Consensus Price Deck (2017: \$51.16/bbl / \$3.16/mcf, 2018: \$54.90/bbl / \$3.14/mcf, 2019: \$58.00/bbl / \$3.05/mcf and held flat thereafter), unless otherwise noted. Does not include additional resource potential or undeveloped locations on ~20,000 net acres recently acquired in the Major County Acquisition. Adjusted for transportation costs paid to HFM. Excludes \$1.25 / bbl oil transportation costs.

<sup>1</sup> NYMEX strip pricing as of 9/3/2017 close until 2021 and held flat thereafter. For 4,196 Primary Identified locations (for all but bottom left output that includes downspacing).

<sup>2</sup> Low Risk downspacing of Osage to 11 WPS (966 locations), Meramec to 5 WPS (318 locations), and Oswego to 4 WPS (516 locations). Additional downspacing of Osage to 15 WPS (1,288 locations) and Meramec to 8 WPS (954 locations).

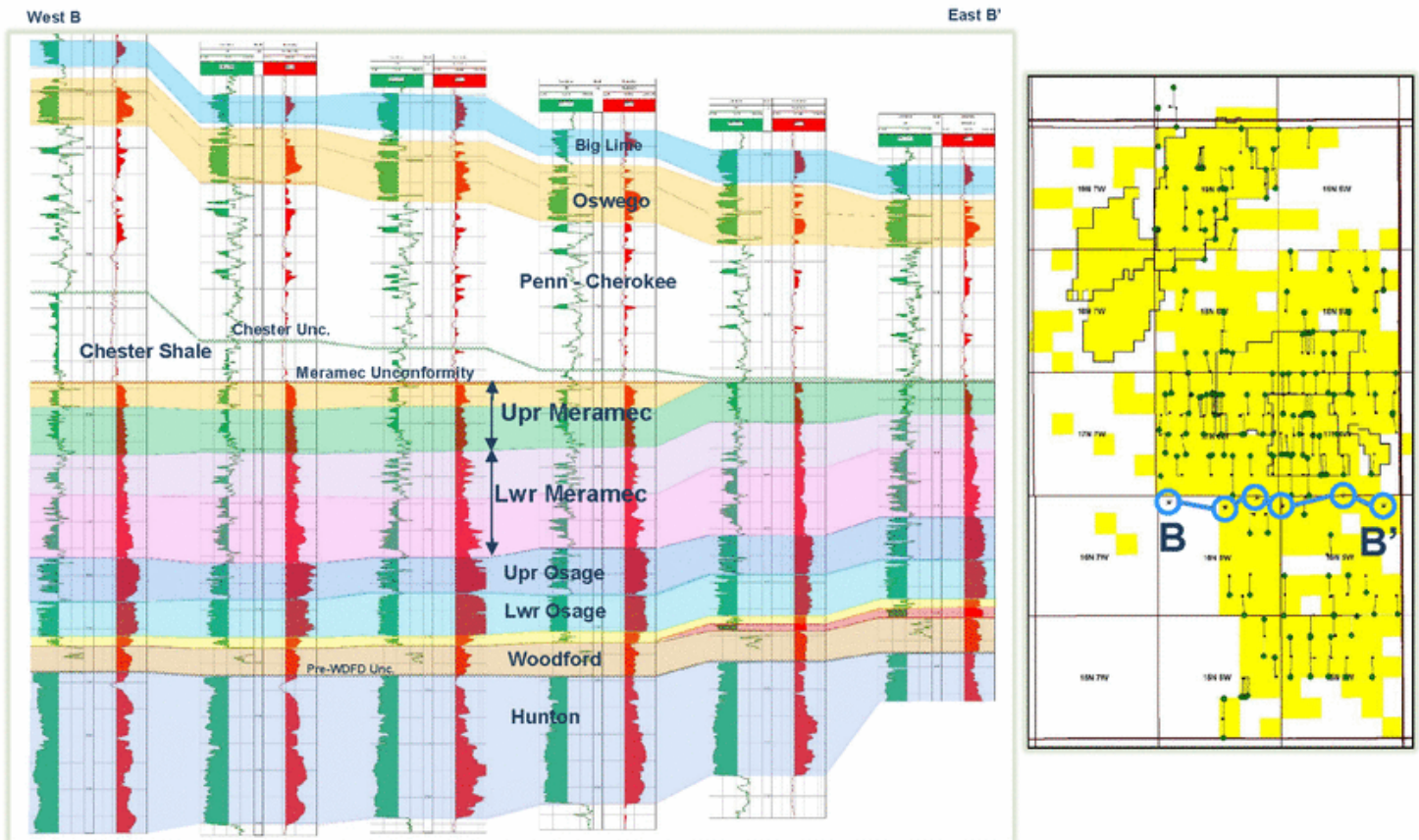
**Oswego, Osage, and Meramec consistent east to west**





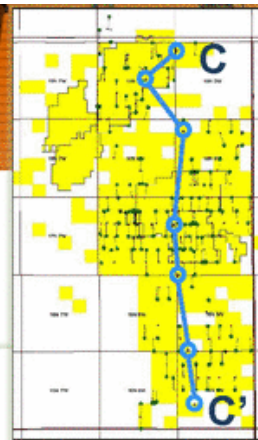
# Significant Oswego, Osage/Meramec Section

*Consistent thickness east to west*



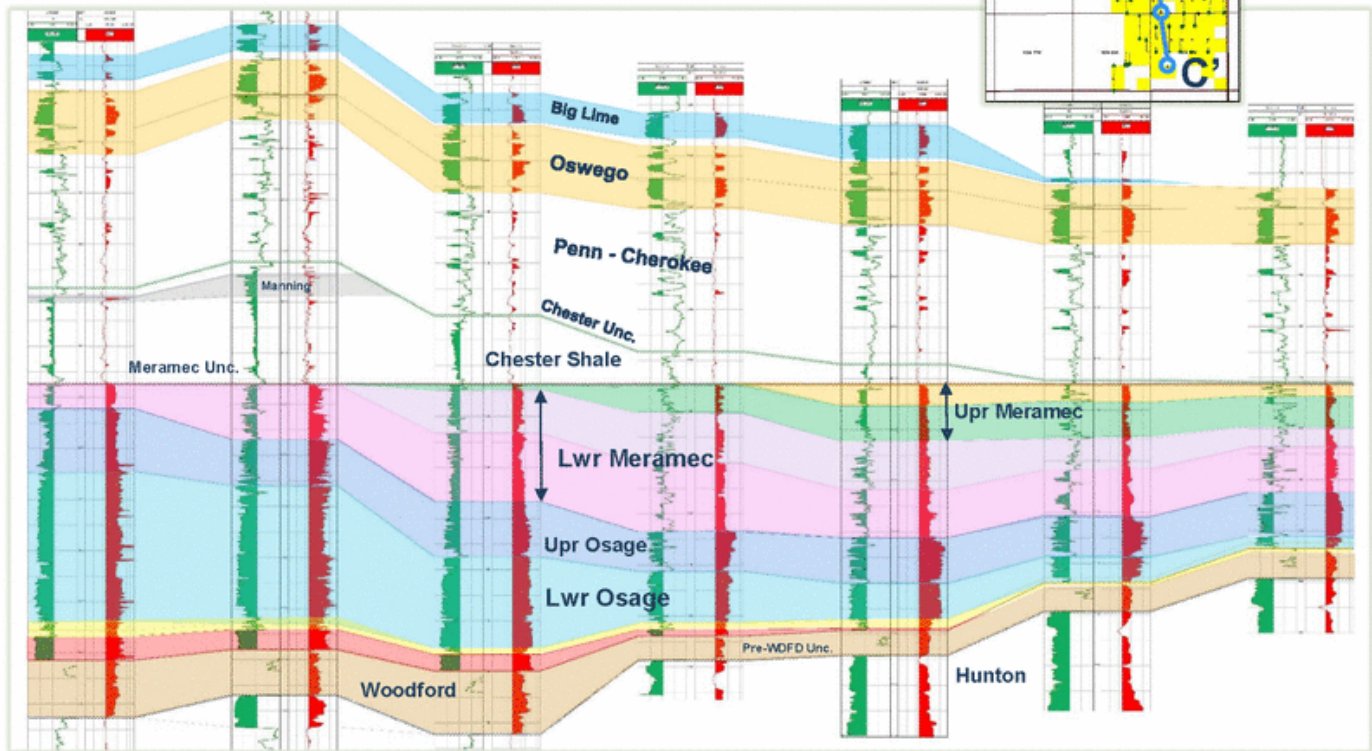
# Significant Oswego, Osage/Meramec

*Osage prominent throughout, thickening to the north*



North C

South C'



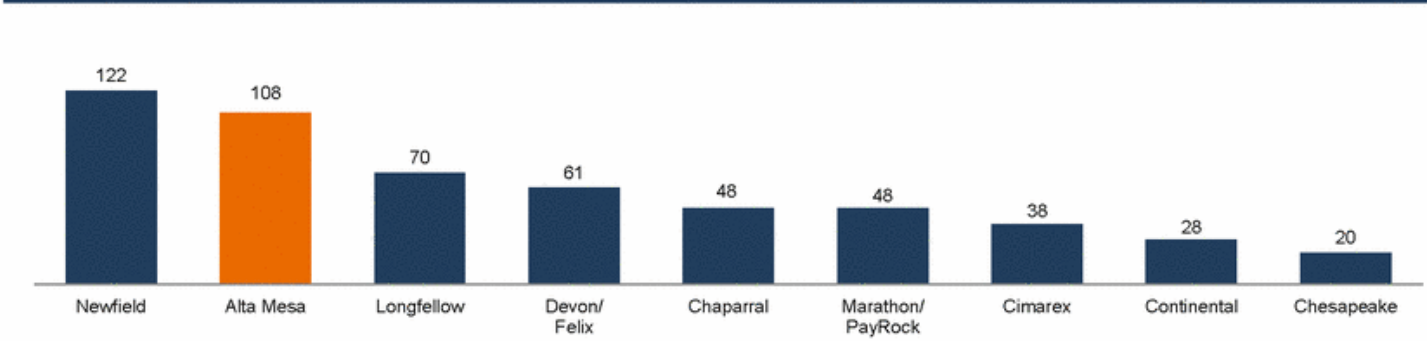
58

# Top Cumulative Producing STACK Wells

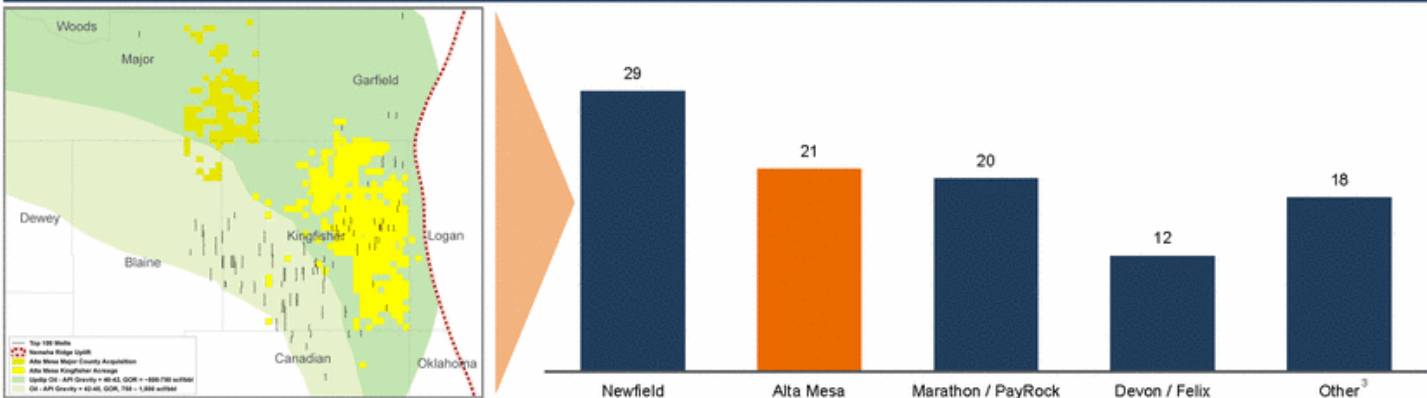
## Alta Mesa wells among top producers



Cumulative Osage/Meramec STACK Producing Wells Drilled by Operator (2012-2016)<sup>1</sup>



Number of Top 100 Wells in the Oil and Updip Oil Windows by Operator, Measured by 60-Day Cumulative Oil Production<sup>2</sup>



Source: Company data, HPDI, IHS Herolds.  
 Note: Publicly disclosed Alta Mesa well / permits include those assigned to Oklahoma Energy Acquisitions LP and Hinkle Oil & Gas Inc.  
<sup>1</sup> Based on publicly disclosed data for wells producing in Kingfisher, Blaine, Canadian, and S. Garfield counties. Excludes wells for which Woodford is primary target.  
<sup>2</sup> Top Osage/Meramec wells (excluding Mississippian Lime) in Updip Oil and Oil window based on 60-Day Cumulative Oil Production (BBLs) per 1,000 Ft. of Lateral.  
<sup>3</sup> Operators with 2 wells or fewer, except for Longfellow (8).

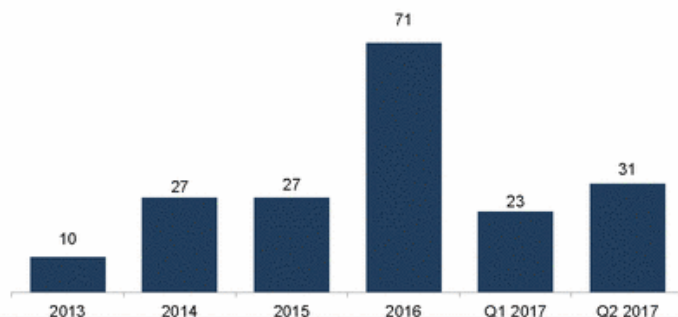


# Alta Mesa Track Record of Growth

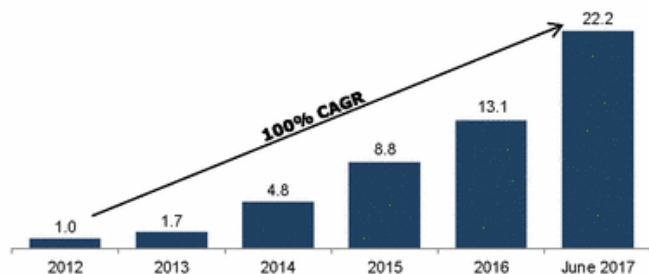
*Consistent increases in production, reserves and acreage*

## Alta Mesa Operated Wells Drilled by Year

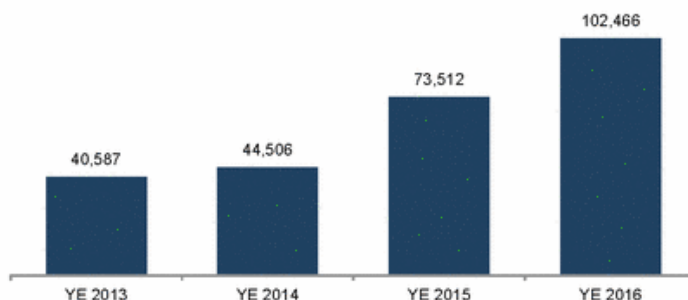
205 STACK wells drilled as of 8/10/17



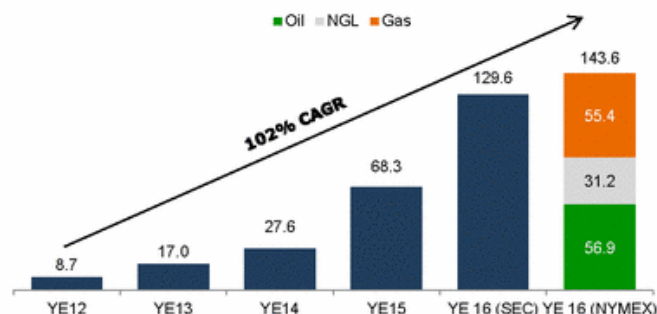
## Alta Mesa Total Net Production (MBOE/D)<sup>1</sup>



## Alta Mesa Net STACK Acreage



## Alta Mesa Proved Reserves (MMBOE)<sup>2,3</sup>



Source: Company data, Public Filings, IHS Herolds, RigData.

<sup>1</sup> Inclusive of Net Production from Bayou City JV. 2012 and 2013 data reflects occurrence date and not accounting date LOS, due to the reasoning that occurrence date method incorporated a change in NGL accounting, whereas accounting date LOS does not.

<sup>2</sup> YE 2016 proved reserves as of 12/31/2016 close.

<sup>3</sup> YE12-15 proved reserves based on NYMEX pricing.

# DrillCo JV

*Pivotal relationship with Bayou City Energy*

## Parameters

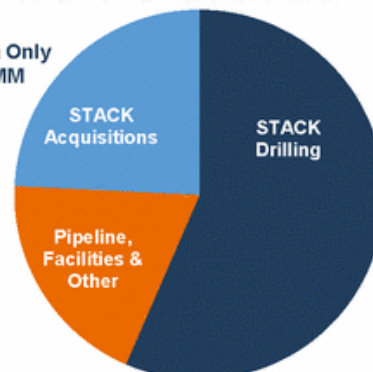
- Entered into joint development agreement with Houston-based private equity firm, Bayou City Energy, in January 2016
- Bayou City Energy primarily targets small operators with current production and focuses on off-balance sheet structures
- DrillCo funds 100% D&C cost, capped at average of \$3.2MM/well
- DrillCo gains 80% working interest in wellbore until 20-well tranche earns 15% IRR, 20% working interest until 25% IRR, then 12.5% working interest
- Specific wells pre-agreed for each tranche

## Strengths for Alta Mesa

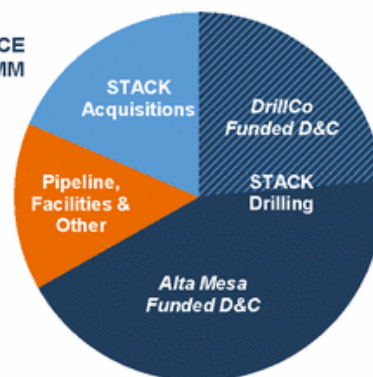
- Cash flow
- Grow reserves
- Continue resource definition
- Continue pace up learning curve(s)
- Capture, hold acreage
- Maintain people/crews

## 2017 Alta Mesa Estimated Capital Expenditures

Alta Mesa Only  
~\$349MM



With BCE  
~\$458MM



# One Mile Laterals Optimum for Up-Dip STACK

*Alta Mesa and other efficient operators adopt fit-for-purpose solutions*



~5,000' laterals used for multi-faceted benefits: drilling, completions, production operations, land and legal

Consideration	Commentary
Spacing	One-mile lateral fits into a single section; two-mile laterals require establishing a "Multi-Unit spacing"
Drilling	Ability to use lower cost water-based muds and reduced time spent drilling helps to reduce drilling risk and control costs associated to high levels of natural fractures
Completions	Less proppant, fluids, and pumping time per well, more simplified design, lower friction while pumping all help to reduce costs of optimized completions
Mineral Owner Relations	Working with mineral owners across one-section (versus two-sections for longer laterals) allows for more seamless and confident development program planning



# Alta Mesa Summary STACK Pro Forma Financials



(\$ in millions, unless specified)	Three Months Ended		Years Ended December 31,		
	March 31, 2017	December 31, 2016	2016	2015	2014
<b>Production</b>					
Oil (MBBLs)	942.0	989.1	3,057.2	2,006.1	1,071.6
Natural Gas (MMCF)	3,116.0	3,088.9	9,110.2	4,272.6	2,083.0
NGLs (MBBLs)	275.0	280.4	901.0	499.4	315.6
Total Production (MBOE)	1,736.3	1,784.3	5,476.6	3,217.6	1,734.4
Daily Production (BOE/D)	19,292.6	19,394.7	15,004.3	8,815.3	4,751.7
<b>Statement of Operations</b>					
Revenue	\$63.6	\$61.7	\$166.4	\$133.6	\$117.3
Operating Expenses (Cash Items)	17.2	16.2	51.6	34.7	24.6
Exploration Costs (Cash Item)	5.0	7.5	17.2	9.8	11.8
Operating Expenses (Non-Cash)	20.2	23.8	63.3	80.3	29.4
General and Administrative <sup>1</sup>	9.7	8.7	40.5	37.9	68.4
Interest Expense <sup>1</sup>	12.3	1.4	43.4	62.5	55.8
<b>Other Financial Data</b>					
Adjusted EBITDAX <sup>2</sup>	\$36.7	\$36.8	\$74.3	\$61.0	\$24.3
% Margin <sup>2</sup>	57.7%	59.6%	44.7%	45.7%	20.7%

Note: This historical pro forma financial information is unaudited and gives effect to (i) the expected disposition of Alta Mesa's non-STACK assets and operations prior to the closing of the business combination as if such transaction occurred on January 1, 2014 and (ii) the contribution to Alta Mesa of interests in 24 producing wells that were drilled under the BCE joint development agreement and purchased by High Mesa from BCE on December 31, 2016, as if such transaction occurred on January 1, 2016.

<sup>1</sup> General and administrative expense and interest expense for the total company.

<sup>2</sup> Adjusted EBITDAX is a Non-GAAP financial measure. See reconciliation to the nearest comparable GAAP measure in the appendix to this presentation.

# Reconciliation of Adjusted EBITDAX to Net Income



(\$ in millions, unless specified)	Three Months Ended		Years Ended December 31,		
	March 31, 2017	December 31, 2016	2016	2015	2014
Net Income (Loss)	(\$0.8)	\$4.1	(\$49.6)	(\$91.6)	(\$72.7)
Adjustments:					
Interest expense	12.3	1.4	43.4	62.5	55.8
Exploration expense	5.0	7.5	17.2	9.8	11.8
Depreciation, depletion and amortization expense	18.9	23.7	62.6	61.3	29.1
Impairment expense	1.2	0.0	0.4	18.8	0.0
Accretion expense	0.1	0.1	0.3	0.2	0.3
<b>Adjusted EBITDAX<sup>1</sup></b>	<b>\$36.7</b>	<b>\$36.8</b>	<b>\$74.3</b>	<b>\$61.0</b>	<b>\$24.3</b>

Note: This historical pro forma financial information is unaudited and gives effect to (i) the expected disposition of Alta Mesa's non-STACK assets and operations prior to the closing of the business combination as if such transaction occurred on January 1, 2014 and (ii) the contribution to Alta Mesa of interests in 24 producing wells that were drilled under the BCE joint development agreement and purchased by High Mesa from BCE on December 31, 2016, as if such transaction occurred on January 1, 2016.

<sup>1</sup> Does not include non-cash items - provision for income taxes, loss on extinguishment of debt, unrealized loss (gain) on oil and gas hedges and (gain)/loss on sale of assets.

EX-99.2 7 a17-20303\_2ex99d2.htm EX-99.2

Exhibit 99.2



Alta Mesa Holdings, LP

August 17, 2017

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## CORPORATE PARTICIPANTS

**James Hackett**, *Chief Executive Officer, Silver Run II*

**Harlan Chappelle**, *President and Chief Executive Officer, Alta Mesa Holdings, LP*

**Michael McCabe**, *Vice President and Chief Financial Officer, Alta Mesa Holdings, LP*

## PRESENTATION

### **James Hackett:**

Hello, everyone. I'm Jim Hackett. Hal Chappelle and I are very excited to be here today to talk about a compelling investment opportunity. I'll walk through an introduction of the company, as well as a brief overview of the transaction. Hal will come in and speak about the Upstream and Midstream assets. Then he'll turn it over to Mike McCabe, the CFO, to talk about the financial overview. Finally, I'll finish with some comments about valuation and timeline going forward. Hal?

### **Harlan Chappelle:**

Thanks, Jim, and hello. We cannot be more excited than to work with Jim Hackett and Silver Run II to build upon the value we've created and the progress that we've made in the STACK. We look forward to walking through this material with you today. Jim?

### **James Hackett:**

Thanks, Hal. First, we'll talk about the introduction. When we went out to look for targets for Silver Run II, we had laid out investment criteria that are shown on Slide 5. Both individually as an Upstream and Midstream Company, and collectively as an integrated platform, this transaction satisfies those criteria.

Turning to Slide 6, this is the first pure-play publicly traded STACK company, which is, I think, very exciting for the investor community. It has everything we desired in terms of highly contiguous oil weighted acreage, 120,000 acres in the core of the STACK, at very attractive breakeven prices, as you can see on the top of Slide 6. We have 4,000-plus primary gross locations based on what we are currently doing. As a drilling and a completion strategy, we have over 12,000 possible locations from down spacing, as well as additional zone penetration. Hal will go through more of that with you in a minute.

We have here a very seasoned cohesive, very experienced team in terms of what they've been doing for over a decade. This is unlike almost any other private company you can name. They have drilled over 200 horizontal STACK wells, they've survived several commodity cycles, they have industry-leading growth potential at approximately 130%. By virtue of combining the Midstream and Upstream, we have both flow assurance for constraining periods of time on all three liquids that we produce. We also produce better net backs because of that position, and, importantly, the purpose-built system that

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accommodates Alta Mesa also accommodates third-party volumes. We have 300,000 gross acres dedicated to that system in addition to the 120,000 acres that Alta Mesa has committed to this system.

We have, I think, tremendous advantages in terms of strategic positioning for consolidation down the road and a future opportunity to restructure the Midstream business into an MLP IPO, which I'll cover later in the presentation.

Finally, Mike McCabe will talk more about the financial strength and flexibility, and we're very excited about the position we've put ourselves in with regard to the balance sheet.

Turning to Slide 7, in the middle of that slide you'll see the multiples that we anticipate for the firm value relative to the EBITDAs for 2018 and 2019. A little later in the presentation I'll show you competitive data that indicates these are highly attractive multiples for each of the individual businesses. Importantly, to Investors, the existing owners of Alta Mesa will roll 100% of their equity position in Alta Mesa into this combination and are on the same side of the table as all of us, as well as the other owners of KFM are retaining significant equity stakes in the combined entity going forward. Riverstone and its affiliates will invest at least \$600 million of additional cash into the business, and the anticipated closing is the fourth quarter of 2017. We'll talk more about that timeline in a minute.

On Slide 8, we have the Transaction Summary we've arrayed for you in the upper left portion the Sources and Uses statement. In the middle on the top is the implied firm value at 3.836 billion dollars. And on the post transaction ownership is on the upper right portion. It's the legacy Alta Mesa owners you can see in the orange there at 37%, Riverstone in Green at 22%, the rollover equity for the KFM owners is 14%. And then the Legacy Silver Run II owners are at 27%. So there is a major commitment here from the sellers to the future of the organization. The bottom is a proforma organizational chart. You can see that Hal and I are joined at the top. I will be Executive Chairman, he'll be the CEO. I'll also report to Hal running the Midstream business as COO because we'll be losing that team after a transition period and we'll be building a team there to replace them. And then Mike Ellis will remain as COO of the Upstream business. Mike will be stepping down as Chairman of the combined Company.

#### **Harlan Chappelle:**

Thanks, Jim. I'll be going over the Upstream and Midstream assets of this Enterprise. Let's start on Page 10. As you can see on the map on the right, we've got a highly blocked up contiguous acreage position in the up-dip oil window of the STACK.

We have a durable asset. Not only do we have a resource that has three zones that we have de-risked and delineated, but we have a complete petroleum system of over a billion barrels of resource in the area. This is a redevelopment of the Sooner Trend field that we get to be a part of. Not only that, but we have infrastructure—water, gas, oil, salt water disposal—and so we have an opportunity to be very systematic in development of this acreage.

We've got a team that has been executing on this for quite a number of years together, as Jim indicated earlier. We now have a multi-rig program we've averaged six rigs through the bulk of this year, and we can scale up with confidence because we have the discipline processes, both on the front end of drilling in terms of getting the land position together, in terms of defining where we want to drill, but then also in executing on that.

We have over 200 wells that we've drilled here and we've demonstrated the value and we have confidence in the upside. As an illustration of that, at the end of the second quarter, we had drilled on the order of 200 wells. Of those, over 160 were on production, and of that number, about 114 had sufficient

production history to give us confidence that at the end of this year, our year-end reserves will reflect better than 650,000 BOE. Since our average lateral length is just under 4,700 feet, that equates to about 140 BOE per lateral foot. That's an important metric as we look and try to compare what this asset is to others in the basin, which very typically denominate their results in terms of a normalized 10,000-foot of lateral.

Let's move on to Page 11. I talked about the team. The character of this team is we have major league players with relevant experience who have worked together for a considerable amount of time. We have capabilities in all assets of the operation and we've got disciplined processes. Among those processes are the public company processes that are necessary, the disciplines, if you will, the accountability of being a public company. For the last almost seven years, we've been a public reporter because of the bonds that we have issued, and then we also issued new bonds last year. So, we're very comfortable with that and we're confident that we can execute in all aspects of this Enterprise.

How did we get here? Page 12 is a history, if you will, in pictures. Mike Ellis founded our Company in 1987, and early in the 1990s he was acquiring various pieces of acreage. In 1992 he was able to start the acquisition of large production units in the eastern side of Kingfisher County, which Conoco, Texaco, and Exxon had been operating but were exiting North America at the time in favor of other places. We entered in 1992. Through the next couple of decades there's been a stewardship that's occurred. In the mid-2000s we began a program while we were producing about a thousand barrels a day. We went through the process of drilling about 27 vertical wells so that we could delineate other zones, either shallower or deeper, that could be prospective and could be the target of additional development, whether horizontal or vertical at the time. Consistently, as we drilled those wells, we found that the Osage and the Meramec were prospective and productive in a commercial way.

By the time we got into this decade, in 2012, we had a high level of confidence that we could begin horizontal drilling and in 2012 we spud our first two wells. By the end of 2013, we had 13 wells that had flowed back and we had gone through two generations of well designs, starting with 12 stages of fracks, to 18 stages, and from one completion configuration to a more advanced one. We learned a lot during that period, such that by 2014 we had confidence that this was a scalable program and so we began a process of acquiring additional acreage all around our initial footprint. You can see that by the end of 2015 we had acquired over 70,000 net acres to our interest.

By 2016, we had hit our stride in terms of having a de-risked and delineated acreage position, in our view, and we had disciplines in place and processes that allowed us to scale and operate in a development mode.

Let's move on to Page 13 so we can look at basically the economics of this. I talked about how many wells we've drilled, our expectations of those, and our confidence in those. On the upper left-hand part of this page you can see the breakevens. We're below \$30 per barrel, and that's to achieve a 15% internal rate of return in terms of breakeven price. On the upper right-hand side you can see the individual well returns, depending on which price deck that you might want to use, that generate about 85% internal rate return, even at a NYMEX strip.

Now, other STACK operators have achieved good well head returns here as well, and so there's been an enormous investment in drilling capital in the basin. This, in turn, as well as our development, became an ideal backdrop for the growth of the Kingfisher Midstream operation. To date, as you can see on the lower left-hand side of the page, Kingfisher Midstream has acreage dedications of about 300,000 gross acres with a line of sight to over 500,000 gross acres. Now, this also has provided the opportunity for a substantial growth in third-party volumes which Kingfisher Midstream has been able to begin and continue to grow.

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Finally, when it comes to the importance of Kingfisher Midstream to Alta Mesa, it's simply a strategic competitive advantage for us. We've got a purpose-built system that allows us to operate confidently in a multi-well development mode, we've got efficient processing, and we have access that's assured to the interstate markets during a time where there could be periodic constraints due to the large-scale growth in the area.

How does this all build up? Let's summarize the overview here. On Slide 14, you can see the NAV build-up to about \$7 billion based on 4,200 identified gross drilling locations that we'll describe. It's broken up so that we can distinctly illustrate to you the Upstream and the Midstream value components, and you can see this here on the page.

On the right side of the page you can see the growth opportunities that we see from additional down spacing and other opportunities that Kingfisher could have through additional third-party development.

Finally, we did make an acquisition—about a month ago we closed on it—and we have not included any of the locations that we believe could be drilled there in our tallies that show up on these pages, so we simply show you on the right-hand side of the page that that represents some upside.

Let's move on and focus down now on the Upstream a little bit more. First on Page 16, simply, we're in a neighborhood where there's a lot of activity going on, vigorous drilling around us, and even within our footprint, targeting both Oswego and the Mississippian-age,

Osage and Meramec.

On Page 17, you get a maybe even better sense of how well-established in a short period of time this play has gotten. Not too many years ago, what you see on this map in Northwestern Canadian County, as listed as the Cana-Woodford, was really the biggest extend of activity. In the time since then, a lot of drilling has occurred by Devon, Continental, Newfield, now Marathon, and certainly by Alta Mesa and some of the other private companies in the area, so it's a large density of wells here. We've only drilled 200 wells, though, so far, and there's a lot of room to run.

Let's move on to Slide 18. This shows the progress in mean well results that we've been able to achieve in a very short period of time by drilling intensely and purposely across about a 300 square mile area here in Easter Kingfisher County. We focused on a couple of keys. The first is isolation between stages. Our first well design was a sliding sleeve configuration and we found that to be very ineffective and we had very good science behind our assessment of those wells. We've gone to a plug-and-perf, open-hole design, and now we have high confidence in a very effective frack job. The next key is a landing. We look for mechanical rock properties and reservoir properties that give us the best opportunity to find the most attractive reservoir and get a very effective frack job off.

Then, finally, the way that we steer our wells is very, very important. We have a dedicated team of geo-steerers that assure to the best of their ability that we stay within the zone that we're targeting, and that's given us a big part of the reason that we have been able to get consistent well results.

You see here on this page that we've gone through generations, beginning with 12 stages, going on to 18, 24, and then 32 to 36, depending on how long the lateral is, and our next-generation design is likely to be 100-foot frack stage spacing, meaning on the order of 45 to 48 stages for a one-mile, lateral, if you will, 4,800-foot lateral would be the typical target.

On Page 19, there's some more detail here for you that shows you first the progress of well completions on the upper left; second, very importantly, the consistent production characteristics of our wells. We're in an area with hundreds of vertical wells that give us solid data upon which we can base our projections and our understanding of the Meramec and Osage system, as well as the Oswego above that. In the Meramec and Osage, as shown here on the lower left, we have early flow back, which is almost entirely

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oil in terms of the hydrocarbons—would be flowing back water from the frack, obviously—and then the GOR climbs over time. These production characteristics, with the oil waiting being biased to the early years of the well, give us good economics as well.

Let's move on to Page 20 where—let's talk about our cost structure in some more detail. Relative to what our competitors in the area have published is shown here. We have a fairly low cost per well. First, we have geologic advantages. We're shallow, we're naturally fractured, we have a simple well design. Second, we have a legacy infrastructure for water supply, water disposal, access to well sites, access to services. All those things combined together to give us a very good drilling time, and when we couple that with consistent deployment of rigs over a period of time, we can get efficiencies of process that we're taking advantage of today.

We think there's upside in our drilling and completion costs in terms of the opportunity to cut our costs because we're going into more of the development mode and we'll be drilling multi-well pads where there are shared services, there's less mobilization time associated with that, and the other advantages of scale.

Let's move on with just a little bit more specificity on the cost structure. On Page 21, this shows the effects of our costs. First on the top, future development cost per PUD barrel, is shown here as very low, and we compare it to what others have published. Probably the most important measure on this page is the recycle ratio. You can see how we measure up compared to our competitors and the peers that we think are relevant, as well as showing you what that additional benefit that will come to us from having an integrated midstream operation as part of the enterprise.

Finally, on the lower right you can see where LOE per barrel ranks. Now, we see some tremendous upside in our ability to cut costs, our LOE costs as well, from the same points that I made earlier about F&D costs. The bottom line of our cost structure here is we've got durable operations, low F&D, high capital efficiency, and low lease operating expenses, with the opportunity to cut those costs with scale, very much a factor of robust infrastructure that we have. This goes back to one of the first points I made. We have highly contiguous acreage here where we can scale with confidence and manage across a larger acreage footprint than simply one drilling unit at a time.

Now, let's talk about results. I describe them in terms of the type curve we expected at the end of last year, and I showed you other results earlier, but on Page 22, one of the things we think is very important to communicate is how pervasive and extensive over this



large area in the up-dip oil window, we have good well results. This table on the right-hand side of the page is meant to help you with that and it shows you a number of wells. We highlight some key wells here as well. While we don't have audited reserves for our newer wells, we did think it relevant to give you some information in terms of the IP 30s of some recent wells, and so that's also listed on this page.

Let's move on to Page 23 now. Those good well results, the very, very good cost structure, our confidence in the geology and our ability to execute, all boil down to our ability to take on the development program that's shown here in a base case, if you will.

The graphic on the left side shows our base development plan. We've performed 11 spacing tests across our footprint. Continental, Newfield, Devon, Marathon have all described their spacing tests in the STACK as well. We have 11 spacing tests, 7 of which are on flow back, some of which for an extended period of time. These have given us insights that give us the confidence in a base case shown here. In this 550- foot plus or minus interval of the Meramec Osage, there would be three benches, each bench would have four wells landed in them, so spacing of about what you might call 160 acres or 1,500 feet between the laterals.

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Ultimately, we seek to maximize discounted cash flow and we believe that this is going to be achieved with a combination of either further down spacing and/or optimized completion techniques where we can get more of this at a more valuable basis.

How do we put this in perspective? One of the things that's helpful—there's on the other order of 33 to 35 million barrels of oil in place in the Meramec and Osage, on average within a drilling unit across—or a section, a square mile—across our acreage position. This based development plan in the Osage Meramec recovers about 8% of that oil in place. That should be a good measure and a comparator to some of the other resource plays. It also gives us confidence that that combination of optimized well completions and/or additional wells—in other words, down spacing—will be profitable to undertake.

Finally, we show the Oswego as a zone in which we have immense confidence of the development capability here. We show only two wells per drilling unit—in other words, a section square-mile—although there are other operators within our footprint who are developing the Oswego with four wells per section.

The bigger picture really here is shown on Page 24. I described this earlier when I talked about the 1,100-foot thick section that's a major part of this petroleum system that is the Sooner Trend field area. Each of these zones that are listed here are commercially productive from vertical wells within our footprint, with the one exception of the Chester Shale, which we believe could be a horizontal target but which has not been, to our knowledge, a successful vertical target in time. We tried to provide you with a grid here. It shows you how many wells we think per section could be prospective in these various zones.

Finally, this log that's on the left-hand side of the graphic is a well log from a continuous section from a log in the northern part of our acreage, and it actually has some of the Manning Limestone that does show here. That's important since we are flowing back our first Manning horizontal after having over 200 Manning vertical wells that have produced.

The bottom line on this slide is it's a petroleum system that works. There's a focus on an 1,100-foot thick multi-STACK pay area. The three zones that we have the most confidence in are the Osage, Meramec, and Oswego at this point in time, but we see every one of these zones as a potential target.

This could be described in terms of the drilling inventory on page 25 to which I referred earlier. On the left side of this page you can see how the approximate forty-two hundred locations were identified in Meramec, Osage and Oswego. The middle of the page reflects the potential for down spacing and/or increased effectiveness of completions. The right hand side is our way of showing you the potential for further development of additional zones that we believe are prospective within our acreage footprint. Now we can define the upstream opportunity in terms of this drilling inventory because of our demonstrated ability to execute. Turning now to slide 26, we illustrate our growth in net acreage, net production and proved reserves since we began horizontal development of our STACK position. Please note the map on the right side of this slide shows a recent acquisition in Major and Blaine counties. Our goal in acquisitions is to control good acreage of scale. Summarizing, the growth we've achieved gives us confidence in the continued execution and expected growth that we project.

Turning to Page 27, in the broader STACK area there is significant acreage that could be consolidated by operators such as ourselves. We believe that this combination with Jim positions us to compete effectively for good opportunities. We have the advantage of a solid operations base, a scalable team with years of experience, a low cost structure and the expertise to determine value in this area.

Now moving on to Page 29 to discuss the midstream assets. Kingfisher Midstream is an important part of our operation today and will be increasingly so in the combined enterprise. For want of capital, we

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would have built this ourselves a few years ago due to the growing functional constraints and inherent inefficiencies of older legacy processing and gathering, as well as concerns that this basin may experience, periodic and near-term limitations to residue gas takeaway, particularly to interstate markets. Kingfisher affords us and other nearby operators with a purpose-filled system to handle the larger volumes associated with multiple wells sold back from single pads and to do so in a more efficient processing system giving us lower shrink, higher yields and better economics. As I alluded a moment ago, Kingfisher gives us flow assurance. It is physically positioned to connect directly to interstate markets by Panhandle Eastern to access Midwest and Gulf Coast markets as well as OGT for access to western interstate markets. Importantly, we have firm transport rights on both of these interstate systems. Which also makes us more competitive as we consider potential acquisitions. Since commissioning just a year ago, Kingfisher has systematically grown its customer base to include several other operators besides Alta Mesa, and we believe this will be an increasingly important and valuable part of the midstream business. Let me now turn this over for a moment to Jim so he can discuss the broader vision for our midstream operations. Jim...

**James Hackett:**

On slide 30, we just are trying to portray here the valuation arbitrage that exists between the margin that is in KFM within the E&P business as a combined entity, and then eventually as an MLP Entity restructured out of the E&P entity where we control the GP interest. And what is very familiar to all of you is that the multiple step up that you get from the upstream median at 7 ½X to midstream medians of 13.7X EBITDA and eventually to the GP interest at 25.3X EBITDA.

On the lower left we've just taken an illustrative EBITDA, call it 1.0 dollars and just showing that step up in terms of the multiples applied to that investment or that value — that implied value — on those various multiples. And so we take the KFM EBITDA projection in 2019, estimated at \$318 million, and we roll that over to the right under the illustrative midstream value creation, and you have the value of that EBITDA in the margin in the upstream of \$2.4 billion increasing by \$1.96 billion with the MLP issuance, which is currently anticipated in the first part of 2019, to create an MLP value fully distributed at \$4.35 billion. And then eventually several years later issuing a GP into a public entity and getting an uplift of some \$924 million and that amounts to a total of \$5.275 billion for the value of that total margin. Comparing that against the \$2.39 billion that is within the combined entity at the beginning, you can see the uplift represents nearly \$3 billion, and that is approximately 80% of the combined purchase price of these entities at \$3.8 billion, essentially paying for a large portion of the merger.

**Harlan Chappelle:**

Thanks, Jim. On Slide 31 you can see the existing infrastructure. Kingfisher Midstream today has 60 million cubic feet a day of processing in the center of our acreage. It's currently undergoing an expansion of 200 million a day for a total of 260 million a day of processing. That'll be done by the end of this year. There's about 250 miles of low-pressure gathering line and about 75 miles of high-pressure gathering line here. We have significant deal compression and there's crude storage in the middle of the field here.

On Page 32, there's even more detail for you to refer to here on natural gas, NGLs, and crude aspects of this Kingfisher Midstream enterprise. You can see, in terms of takeaway on the gas side, we have 120 a day of FT on Panhandle Eastern and 50 million a day of FT on OGT. That 50 million a day is going to increase to 125 million a day in June of next year. For NGLs there's about 41,000 barrels of capacity on the Chisholm line. For crude, today we're trucking our crude from the central gathering system to Cushing, but we have several opportunities to interconnect to pipelines direct into Cushing, which gives us additional advantages in terms of both net back price and in terms of reliability.

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Finally on Page 33, Kingfisher Midstream is well-positioned to gather and process increasing volumes from the play as it moves to the West. Notably, as we move to the West in this play, gas volumes do increase.

Let me turn it over now to Mike McCabe, our CFO, as he goes through the finances of this new enterprise.

**Mike McCabe:**

Turning to Page 35, obviously this would become a major de-leveraging event for Alta Mesa Resources. It will create a zero-net debt on our balance sheet and provide us with excellent pro forma liquidity to execute the development plan in the STACK and Kingfisher County. Our intent is to manage to a 1.0X debt to EBITDA tax ratio with 1.5-2.0X guardrails on a situational basis. This will allow Alta Mesa Resources to have positive cash flow from Operations as early as 2019 and to continue to maintain a simplified balance sheet with our revolver and senior unsecured bonds. Turning to Page 36, our 2017 Capex budget is \$458 million which includes \$108 million of funds from Bayou City Drilling JV. KFM will complete the expansion of its facility to \$260 million a day capacity which is included in their \$120 million capex budget remaining for 2017. And we will expect to grow from currently at 6 rigs to 10 rigs by the end of 2018. Also, our hedges are summarized at the bottom of Page 36. We will continue to be disciplined, but active, in our hedge program and protecting our revenues going forward.

Turning to Page 38, which is a summary of financial objectives for the future, we are expecting a 3X growth in net daily production to approximately 65K BOE per day in 2019, and a 5X growth in EBITDAX over the same period. And again we will go positive free cash flow from operations in 2019 while we create and maintain sufficient liquidity to fund our development plan as summarized in the middle section of the bottom bar on Page 38.

**James Hackett:**

On Slide 39, we have the first of two valuation pages. This is just for the upstream portion of the merger. And you can see in the upper left the firm value is a multiple of 2018 EBITDA, and of course, it looks very attractive relative to the peer group. And then 2019 gets even better and that's because the growth rate in the lower right portion of this slide. And then if you look in the bottom left portion all we've done here is try to give you comparables for the Anadarko Basin for acquisitions on a net acreage basis.

Turning to Page 40, we've done the same for KFM. If you look at the Midstream multiples of 2018 and 2019 EBITDA, the firm value for this transaction is highly attractive relative to those entities on the lower left portion of the graph. Then when you take the combined companies, both Upstream and Midstream, you can see that that growth rate, not surprisingly, captures both of these slides in terms of combining the two, and matches what we had told you earlier in the presentation.

On Slide 41, we are showing the anticipated transaction timeline.

On Page 42, just to summarize, what we see in this opportunity in front of us for a pure-play STACK company is a world-class asset. We've got great rocks, we've got great technical tools, great people, and a great track record with high growth in front of us. We've put together a Midstream business that provides us defensive and offensive capabilities in terms of both internally growing our business, as well

as consolidating those around us, and a potential financial restructuring of that Midstream business, that I've spoken to you earlier about, is incredibly compelling in terms of the upside for our Investors.

We'll have financial strength and flexibility to execute the business plan through this current down cycle, and we'll still end up being positive cash flow-wise in 2019.

With that, I'll end the pro forma presentation. Hal and I will look forward to seeing all of you in the near future. We couldn't be more excited about this opportunity in front of us. Thank you.